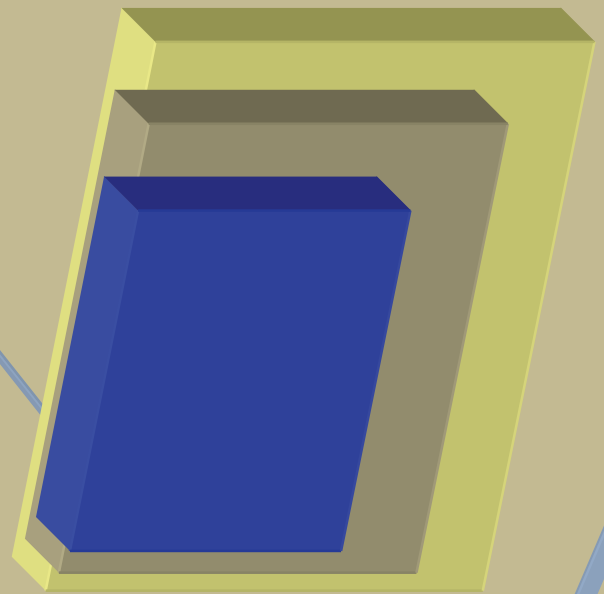




Annual Report 2009/10

Overberg District Municipality

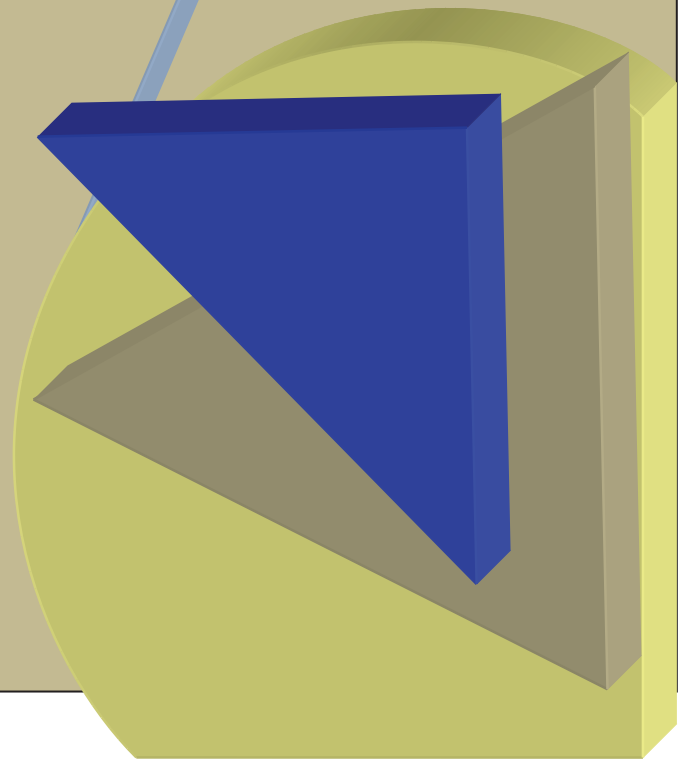


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EXECUTIVE MAYOR'S FOREWORD



I am honoured to have the opportunity of serving the Overberg District Municipality and its citizens, and it gives me great pleasure as the Executive Mayor of the Overberg District Municipality to present the Annual Report for the 2009/2010 financial year.

In terms of the Constitution of South Africa, Act 108 of 1996, the objectives of local government are clearly defined in Chapter 7 and Section 152 (1) "to provide democratic and accountable government for local communities". As local government our responsibility is to identify the hopes and needs of citizens and turn these into sustained service delivery in order to enrich all our citizens' lives on a financially sustainable basis.

I am committed to the functions and powers of C-authorities (District Municipalities) as explained in the Municipal Structures Act (117 of 1998), the Constitution of the Republic of South Africa (Act 108 of 1996), Municipal Systems Act (32 of 2000), and the Municipal Finance Management Act (56 of 2003), and compliance with other relevant legislation.

As the Executive Mayor I confirm that the Overberg District Municipality (ODM) complies with all legislation. The Annual Report is a true reflection of actual performance at the end of the 2009/2010 financial year. The report was compiled in line with the Municipal Systems Act (32 of 2000), the Municipal Finance Management Act (56 of 2003), as well as National Treasury Circular No 11 (which outlines Annual Report Guidelines).

The Overberg District Municipality continuously strives to comply with relevant legislation and the monitoring of expenditure via sound management principles. Section 62 (1)(c)(i) of the Municipal Finance Management Act states that the Accounting Officer has to ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

As Executive Mayor of ODM I am honoured and proud to present the 2009/2010 Annual Report.

With the 2010 Soccer World Cup event that took place during the financial year we were privileged to have been able to have a Public Viewing Area within our District. We also had the MEC of Sport and Culture whom came to unveil the Countdown Clock for the World Cup.

We were able to not only attract local communities, but also visitors from other Provinces and overseas to the District. This made a huge impact into our economy and boosted the areas within our District.

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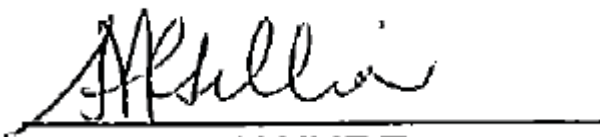
We hosted some of our Province's Sport bodies and the World Cup event was a huge success, due to our commitment and hard work prior to the event.

We also managed to host a 50 Days Countdown-celebration, in the form of Street Soccer which attracted and invited school children all over the district. More than 1000 school children participated in the street soccer party. Medals and food were handed out to those who participated.

We made use of local artist, some whom performed on stage the duration of the festival free of charge. The day also ensured that the local communities could make use of the opportunity to participate in the day's activities.

The Overberg District Municipality had a memorable World Cup Soccer event and we are proud to have been able to be one of the Districts, identified to assist with the success of our country's participation in the Soccer World Cup.

I would like to thank all members of the Council, officials and the public for their support which made our achievements and success possible the during the past year

A handwritten signature in black ink, appearing to read 'M. Gillion', is written over a solid horizontal line. Below this line is a dashed horizontal line.

EXECUTIVE MAYOR
M GILLION

MUNICIPAL MANAGER'S FOREWORD



The Overberg District Municipality attempted to meet the legal obligations in terms of the Municipal Systems Act and the Municipal Finance Management Act as presented in its Annual Report for the 2009/2010 financial year.

Through the implementation of the SDBIP, the objectives of a Performance Management System, which has culminated in the production of this annual report, the municipality is aiming at building a strong and accountable administration focusing on equitable distribution of services.

Our communities have great expectations and hence we will strive to fulfil these expectations although the challenges of human and financial resources still remain a stumbling block.

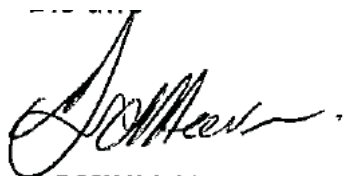
The effort of all the stakeholders in the running of the municipality is greatly appreciated. I therefore foresee that, with continued dedication by all political parties, the administration and communities, there is no doubt that the Overberg District Municipality will achieve great things in the years to come.

The critical issue is to develop Overberg District Municipality as a smart, creative and developmental Municipality. In the context of the scarcity of resources and the huge poverty rate, the commitment of business, labour and civil society is welcomed. Service delivery can only happen in partnership with the community and partnerships.

I would like to thank my management and staff for their dedication and support during the past financial year.

The Overberg District Municipality has challenges that await us, but we are prepared to face and rectify those as far as possible.

I would like to thank the Executive Mayor, Deputy Mayor, the Mayoral Committee, Council and staff for their contribution in making 2010 a success.

A handwritten signature in black ink, appearing to read 'D. van der Heever', written in a cursive style.

DOMINIC VAN DER HEEVER
MUNISIPALE BESTUURDER

Chapter 1

Municipal Overview



CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW

MUNICIPAL OVERVIEW

This report addresses the performance of the Overberg District Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the Council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2009/10 Annual Report reflects on the performance of the Overberg District Municipality for the period 1 July 2009 to 30 June 2010. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA) compelling the Municipality to prepare an Annual Report for each financial year.

VISION AND MISSION

The Overberg District Municipality committed itself to the vision and mission of:



Figure 1: Overberg Vision and Mission

DEMOGRAPHIC INFORMATION

A) MUNICIPAL GEOGRAPHICAL INFORMATION

Overberg District Municipality (ODM), located at the southern most point of Africa with Bredasdorp as its administrative headquarters, is the fourth largest centre of economic activity in the Western Cape Province, contributing 2.4% of the Province's Gross Domestic Product.

The region is large, comprising an area of over **11 393 km²** and contains 32 demarcated wards, with a population well in excess of **230 000** people. It is expected that the District's share of the Province's population will increase gradually over time as its projected population growth is higher than other District's in the Province.

Bredasdorp is a small Overberg town located in the Western Cape Province in South Africa. It was established around a Dutch Reformed Church in 1838 and is still strongly founded in its agricultural roots. The town was named after Cape Town's first major, Michiel van Breda, also known as the father of South Africa's merino sheep industry. Van Breda and Pieter Voltelyn van der Byl, could not agree where the church should be built. As a result two churches were built, and two towns, Bredasdorp and Napier, were established. Besides the sheep farming, the town also boasts other agricultural activities, including wheat, milk, and indigenous fynbos cultivation.

Swellendam is a small town in the Western Cape Province of South Africa with approximately 30 000 residents. This third oldest town settlement in South Africa and therefore offers some fine examples of Cape Dutch architecture. Swellendam is situated on the N2, approximately 220km from both Cape Town and George.

Arniston is a small seaside settlement in the Overberg region on the Cape South coast, close to Cape Agulhas, the southern-most tip of Africa. Prior to the shipwreck of the Arniston, it was known as Waenhuiskrans, an Afrikaans name meaning literally "Wagon store cliff", after the famous cave large enough to turn a wagon pulled by a span of oxen.

Agulhas is a coastal village in the Western Cape province of South Africa, and the southernmost settlement on the mainland of Africa. It is situated at Cape Agulhas, the southernmost tip of Africa.

Although many believe that Cape Point, which is further north, is where the two oceans meet, they actually meet at Cape Agulhas. The Agulhas Current is a strong ocean current known for its rogue waves.

The lighthouse at Cape Agulhas was built in homage to the Pharos of Alexandria – one of the 7 Wonders of the Ancient World.

Napier, a small town situated in the Overberg, was established in 1838 through a dispute between two neighbours, Michiel van Breda & Pieter Voltelyn van der Byl, over the location of the communal church. This resulted in the creation of two churches in two separate towns, Napier, and Bredasdorp. The name, Napier, was in honour of the then Governor of the Cape, Sir George Thomas Napier.

Caledon is a town in the Western Province of South Africa. It is primarily an agricultural region. Most agricultural activities involve grain production with a certain amount of stock farming. It is located in the Overberg geographical region of the province and lies on the main south coast highway, the N2, 120km east of Cape Town. The town is locally well known for the Caledon Spa and Casino and for its rolling hills and yellow canola fields in spring. The town has a Mediterranean climate of warm, dry summers and cool, wet winters. Temperatures are influenced by its close proximity to the South Atlantic Ocean, just over the Klein River Mountains to the south. Caledon is also famous as the place where P.K. van der Byl retired to and subsequently died. He was an outlandish Rhodesian government minister.

Hermanus (originally called Hermanuspietersfontein) is a town with 25,308 inhabitants on the southern coast of the Western Cape province of South Africa. It is famous as a place from which to watch whales during the southern winter and spring and is a popular retirement town. The whales can be seen from the cliffs in the town centre from as early as June. They were once hunted locally, but are now protected. The Old Harbour Museum contains several exhibitions which explain the whaling history of Hermanus.

Hermanus lies along the Walker Bay on the south coast of the Western Cape, It is located about 115km southeast of Cape Town and is connected to the Mother City by the R43 highway (or coastal R44 scenic route) and N2 motorway. The R43 continues to Cape Agulhas, the most southerly point of Africa. Hermanus is 40km from Gansbaai, a famous spot where one can dive amongst the Great White Sharks. It is also notable that Hermanus still boasts an historic railway station building although eventually no tracks were laid to connect the town to the national network.

The rapidly growing population is placing extreme pressure on municipalities to develop and sustain its range of services and service levels. The ODM serves four local municipalities and a DMA comprising the following towns and settlements:

Overberg District Annual Report 2009/10

Municipality	Towns
Cape Agulhas	Bredasdorp, Struisbaai, Arniston, Napier, Proteem, Klipdale and Elim
Swellendam	Suurbraak, Buffelsjagrivier, Swellendam and Barrydale
Theewaterskloof	Botriver, Genadendal, Greyton, Grabouw, Riviersonderend, Villiersdorp and Caledon
Overstrand	Kleinmond, Hermanus, Hawston, Stanford and Gansbaai

Table 1: Towns and settlements

District Management Area

The Overberg District Management Area (DMA) has a specific nature with a small number of people living there on a permanent basis.

The largest parts of the DMA are in the hands of Cape Nature (De Hoop Nature Reserve) and DENEL (Overberg Test Range), whilst the South African Air Force is the owner of the Test Flight and Development Centre.

Below are maps of the Western Cape that indicates the location of the Municipal area:



Figure 2: Map of the Overberg Region



Figure 3: Map of the four Local Municipalities and DMA

B) POPULATION

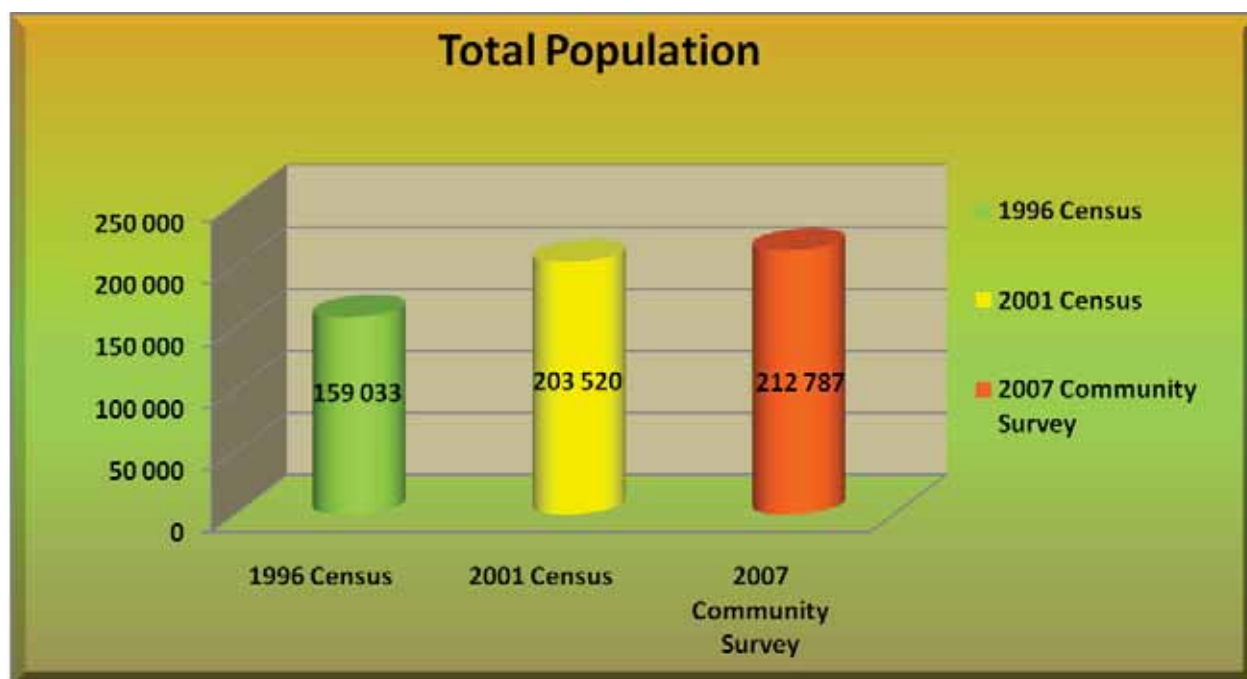
The table below indicates the total population within the municipal area:

Population	1996 Census	2001 Census	2007 Community Survey
Overberg DMA	N/A	248	244
Cape Agulhas	22 011	26 182	28 444
Overstrand	37 315	55 738	74 547
Swellendam	24 620	28 075	22 833
Theewaterskloof	74 272	93 276	86 719
Total for Overberg District	158 218	203 519	212 787

Table 2: Demographic information of the municipal area – Total population

The annual average population growth in the Overberg District municipal area is approximately **0,8%** for the 2009/10 financial year.

The graph below illustrates the yearly population growth for the municipal area.



Graph 1: Total Population Growth

C) HOUSEHOLD

The total number of households within the municipal area increased from **56 658** households in 2001 Census to a total of **60 056** households in the 2007 Community Survey. Households are defined as all structures both in formal and informal areas.

Households	2001 Census	2007 Community Survey
Number of households in municipal area	56 658	60 056
Number of households in DMA area	38	66

Table 3: Total number of households

D) KEY ECONOMIC ACTIVITIES

The Municipality is dependent upon the economic activities indicated below. Intensive agricultural areas are located along rivers in the Overberg.

Key Economic Activities	Description
Agriculture	Major agricultural activities range from wheat, barley, dairy, and lamb production to deciduous fruit production.
Tourism	The region is characterised by stunning mountain ranges, a large rolling inland plateau, a coastal plateau and part of the Karoo landscape to the north. Tourism is a major driver of economic activity in Overberg District, which is also known as the 'Golden Gateway' to the famous Garden Route.
Manufacturing	Manufacturing activities mainly involve agro-processing of well-known brands of fruit juices with beverage industries located in the Grabouw-Elgin valley. Value-adding agro-processing industries in the region have potential to grow through exports (subject to risks arising from exchange rate situations). A lucrative market does exist. The Overberg Test Range, in collaboration with Armscor situated near Bredasdorp, tests missiles and equipment for countries across the world.

Table 4: Key Economic activities

1.1.3 SOCIO ECONOMIC INFORMATION

A) SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Housing Backlog	Unemployment Rate (%)	Households with No Income (%)	People older than 14 years illiterate (%)	HIV/AIDS Prevalence (%)	Urban/rural household split
20 926	18.6	9.7	27	4.9	76/24

Table 5: Socio Economic information

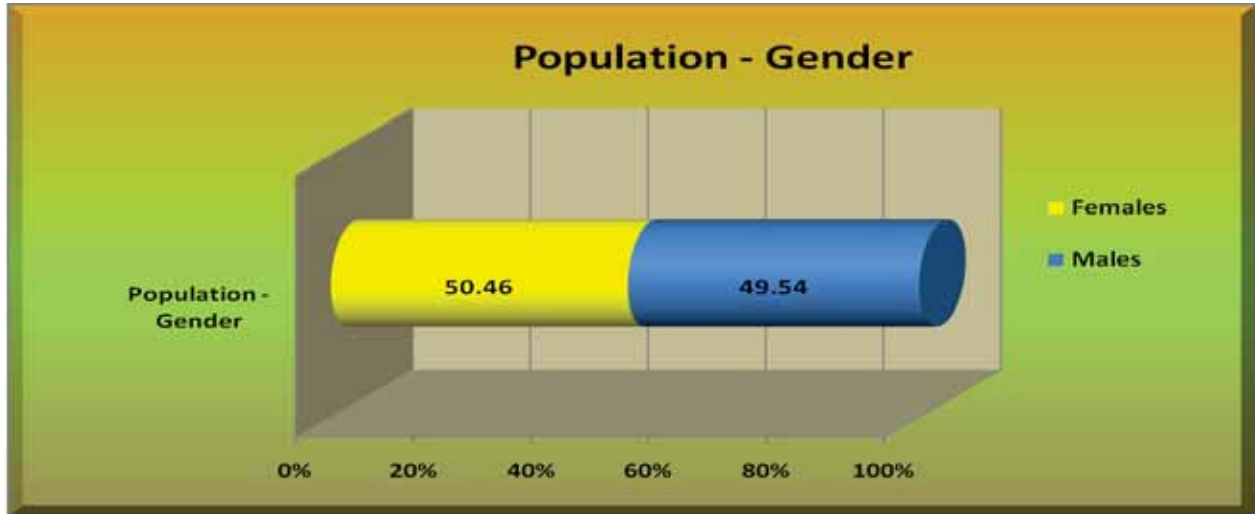
B) POPULATION BY GENDER

The Overberg District population is balanced with **50.46%** representation of females and **49.54%** of males as shown below:

Population - Gender	2006 Census
Females	50.46
Males	49.54

Table 6: Demographic information of the municipal area – Gender

The following graph displays the female to male ratio.



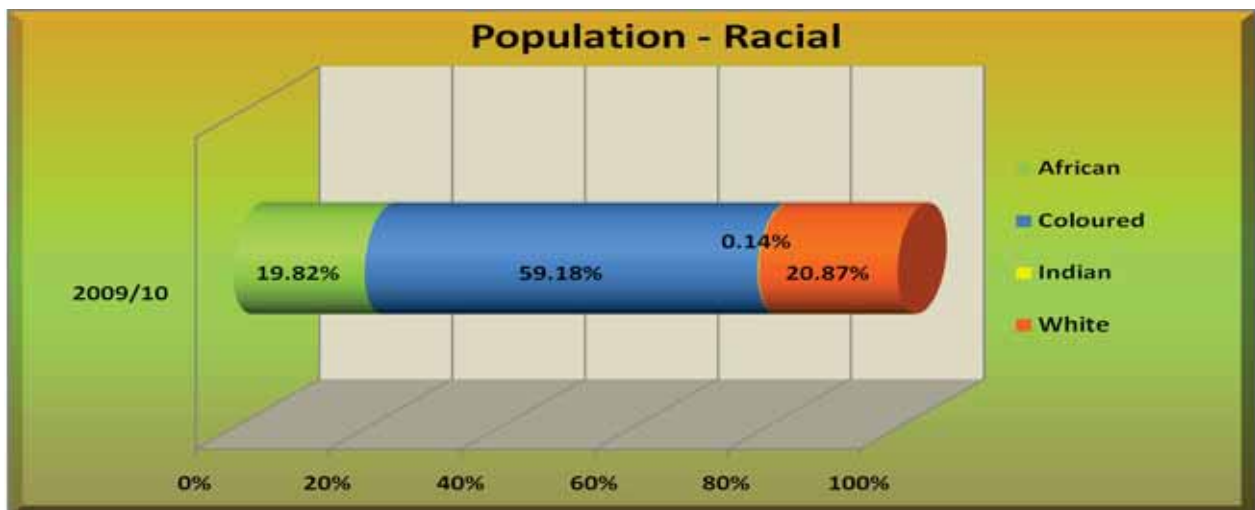
Graph 2: Gender Population

C) POPULATION BY RACE CATEGORY

Population - Racial	2001 Census
African	40 328
Coloured	120 434
Indian	277
White	42 482

Table 7: Demographic information of the municipal area – Race categories

The graph below shows the population by race.



Graph 3: Population by race

Chapter 2

Governance



CHAPTER 2: GOVERNANCE

Good governance has eight major characteristics, namely participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive government that comply with the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are being heard in decision-making. Good governance is also responsive to the present and future needs of society.

2.1 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Description	Actions addressed
Critical managerial positions are vacant	Filling managerial positions
Lack of a Communication Strategy and communication unit	Develop a Communication Strategy and establish an unit
Staff shortage a result of several senior employees suspended	Resolving the relevant labour disputes as a matter of urgency

Table 9: Good Governance and Public Participation Challenges

2.2 GOVERNANCE STRUCTURE

2.2.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

A) COUNCIL

The Council of the Overberg District Municipality consists of 20 members, representing all Local Municipalities in the District (Theewaterskloof 5, Cape Agulhas 1, Swellendam 1, Overstrand 4 and 9 Proportional).

Below is a table that categorise the councillors within their specific political parties and wards:

Name of councillor	Remarks	Capacity	Political Party	Substitute	Local Municipality representing
Cllr. M Gillion	Resigned 24 June 2010	Executive Mayor	ANC	N/A	Proportional
Cllr. W October	Resigned 21 December 2009	Deputy Mayor	NPP	Cllr. D Abrahams	Proportional

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Name of councillor	Remarks	Capacity	Political Party	Substitute	Local Municipality representing
Cllr. J October	Removed as Speaker on 10 March 2010	Speaker	NPP	N/A	Proportional
Cllr. I Stevens	None	Chairperson: Community Services	ANC	N/A	Directly elected: DMA
Cllr. J Januarie	None	Ordinary Councillor	ANC	N/A	Proportional
Cllr. P Poni	None	Ordinary Councillor	ANC	N/A	Proportional
Cllr. J W Smuts	Resigned in Sept 2009	Chairperson: Corporate Portfolio	ANC	Cllr. J Gelderblom	Overstrand
Cllr. E Mentile	Removed by MEC on 10 March 2010	Chairperson: Finance Portfolio	ANC	Cllr. V Mazembe	Theewaterskloof
Cllr. PH Makaza	Removed by the MEC 10 March 2010	Ordinary Councillor	ANC	Cllr. D Ruiters	Theewaterskloof
Cllr. NV Tutu	Removed by the MEC on 31 December 2009	Ordinary Councillor	ANC	Cllr. F Khohlakala	Overstrand
Cllr. M Dennis	Resigned	Chairperson: IGR Portfolio	ANC	N/A	Cape Agulhas
Cllr. S Baird	None	Ordinary Councillor	ID	N/A	Theewaterskloof
Cllr. J Kriel	N/A	Ordinary Councillor	DA	N/A	Overstrand
Cllr. D Oosthuizen	N/A	Ordinary Councillor	DA	N/A	Overstrand
Cllr. D Govender	N/A	Ordinary Councillor	ID	N/A	Swellendam
Cllr. A Franken	N/A	Ordinary Councillor	DA	N/A	Proportional
Cllr. A van Brakel	Resigned on 27 January 2010	Ordinary Councillor	DA	Cllr. K Tiemie	Theewaterskloof
Ald. D Du Toit	N/A	Ordinary Councillor	DA	N/A	Proportional
Cllr. C Wood	N/A	Ordinary Councillor	DA	N/A	Theewaterskloof
Cllr. N Botha Guthrie	N/A	Ordinary Councillor	DA	N/A	Proportional

Table 10: Council

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Below is a table which indicates Council meetings attendance for the 2009/10 financial year:

Meeting dates	Type of Meeting	Number of reports considered	Council Meetings Attendance %	Apologies for non-attendance %
31 August 2009	Normal Council Meeting	15	75	25
8 January 2010	Special Council meeting	4	90	10
27 January 2010	Special Council Meeting	1	85	15
10 March 2010	Normal Council meeting	13	100%	0
29 March 2010	Special Council Meeting	0	80	20
13 April 2010	Special Council Meeting	10	95	5

Table 11: Council meetings

B) MAYORAL COMMITTEE (MAYCO)

The Mayor of the Municipality, Councillor M. Gillion, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him/her to manage the day-to-day affairs. This means that he/she has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in cooperation with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below:

Name of member	Capacity
Cllr. M Gillion (Until 24 June 2010)	Mayor
Cllr. W October (Until December 2009)	Deputy Mayor
Cllr. W Smuts (Until 1 September 2009)	Member
Cllr. E Mentile (Until 10 March 2010). Replaced by Cllr F Khohlakala	Member
Cllr. M Dennis	Member
Cllr. I Stevens	Member

Table 12: Executive Mayoral Committee

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Meeting dates	Type of Meeting	Number of reports considered	MAYCO Meetings Attendance %	Apologies for non-attendance %
13 November 2009	Special Mayoral Committee Meeting	1	95	5
15 January 2010	Special Mayoral Committee Meeting	8	100	0

Table 13: Executive Mayoral Meetings

C) COMMITTEES

Section 80 committees are permanent committees that specialise in specific functional areas of the municipality and make recommendations on specific functional issues. They advise the executive mayor on policy matters to make recommendations to council. Section 79 committees are committees appointed by the executive mayor, as required. They are usually set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. Once their ad hoc task had been completed, Section 79 committees are usually disbanded. Outside experts, as well as councillors can be included on Section 79 committees.

The committees for the 2009/10 financial year and their Chairpersons are as follow:

Committee	Chairperson	Replacement	Section 79 or 80 Committee	Date
Finance	Cllr. E Mentile (until 10 March 2010)	F Khohlakala	Section 80	9 July 2009 11 November 2009
Corporate	Cllr. W Smuts (until 1 September 2009)	J Gelderblom	Section 80	9 July 2009 11 November 2009
LED and Tourism	Cllr. W October (until 21 December 2009)	J October	Section 80	9 July 2009 11 November 2009
Community Services	Cllr. M Dennis	N/A	Section 80	9 July 2009 11 November 2009
Intergovernmental Relations and Rural Development	Cllr. I Stevens	N/A	Section 80	9 July 2009 11 November 2009

Table 14: Committees

2.3.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by managers reporting directly to him, which constitutes the Management Team as indicated in the table below.

Name of Official	Department	Performance agreement signed
		(Yes/No)
GW Hermanus	Acting Municipal Manager and Director Technical Services until 28 January 2010	Yes
D van der Heever	Exec Head: Internal Audit Appointed as Municipal Manager on 10 March 2010	Yes
RF Butler	Shared Services and Financial Modelling	Yes
O Mackenzie	Acting CFO	No
M Van Eeden	Head: Roads	n/a
R du Toit	Head: Environmental Health	n/a
O Bezuidenhout	Head: Corporate Services	n/a
R Geldenhuys	Head: Fire and Disaster Management	n/a
F Kotze	Head: Environmental Management	n/a

Table 15: Administrative Governance Structure

2.4 PUBLIC ACCOUNTABILITY

Section 16 of the Municipal Systems Act (MSA) specifically refers to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose the local community is encouraged, and conditions are created for them to participate in the activities of the local government. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance;
- and

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- preparation of the municipal budget.

2.4.1 REPRESENTATIVE FORUMS

A) LABOUR FORUM

The table below specifies the members of the Labour forum for the 2009/10 financial year:

Name of representative	Capacity	Meeting dates
Mr W Smuts	Work component	2 October 2009
Mr A Ndarala	Member (SAMWU)	
Vacant	Member (SAMWU)	
Mr W Simon	Member (SAMWU)	
Mr R Dramat	Member (IMATU)	
Mr D Koker	Member (IMATU)	
Mr N Olivier	Member (IMATU)	

Table 16: Labour Forum

B) IDP FORUM

The table below indicates the members of the Integrated Development Plan Steering Committee Team for the 2009/10 financial year:

Name of representative	Capacity
Winston October (ODM)	Acting Director: Community Services: ODM
Lorraine Venter	IDP Manager : Swellendam Municipality
Eben Phillips	IDP Manager: Cape Agulhas Municipality
Desiree Arrison	IDP Manager: Overstrand Municipality
Belinda Swart	IDP Manager: Theewaterskloof Municipality

Table 17: IDP Forum

C) DISTRICT COORDINATING FORUM

Name of representative	Capacity	Meeting dates
Cllr M Gillion	Mayor: Overberg District Municipality	19 September 2009 16 April 2010
Cllr T Beyleveldt	Mayor: Overstrand Municipality	
Ald CB Punt	Mayor: Theewaterskloof Municipality	
Cllr Jansen	Mayor: Swellendam Municipality	

Table 18: District Coordinating Forum

D) DISTRICT TECHNICAL COMMITTEE

Name of representative	Capacity	Meeting dates
Mr G W Hermanus (replaced by Mr D C van der Heever)	Municipal Manager: Overberg District Municipality	16 April 2010 10 Februarie 2010
Mr W Zybrandts	Municipal Manager: Overstrand	
Mr S Wallace	Municipal Manager: Theewaterskloof	
Mr W Hendricks (replaced by Mr N Nel)	Municipal Manager: Swellendam	
Mr R Stevens	Municipal Manager: Cape Agulhas	

2.5 CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.5.1 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112, stipulates supply chain measures to be enforced to combat fraud and corruption, favouritism, unfair and irregular practices. Section 115(1) of the MFMA stipulates that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

A) DEVELOPED STRATEGIES

Name of strategy	Developed Yes/No
Anti corruption strategy	No
Fraud prevention strategy	No

Table 19: Strategies

2.5.2 AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must-

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance Management; and
- effective Governance.

A) FUNCTIONS OF THE AUDIT COMMITTEE

Council adopted its audit charter on 10 March 2009. In terms of the audit charter, the audit committee also serves as the performance audit committee. Subject to relevant legislation and the audit charter, the audit committee has the following functions with regards to performance management:

- to advise Council on the functionality of the performance management system (PMS);
- to advise Council whether the PMS complies with the Act ;
- to advise Council on the extent to which the municipality's performance measures are reliable in measuring performance;
- to advise Council on the effectiveness of the financial administrative system in terms of systems auditing as well as making recommendations with regard to perceived shortcomings;
- to ensure effective functioning of the Internal Audit unit; and
- to advice Council on the standard of service pertaining to internal audit function.

The Audit Committee have the following functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003, Local Government Municipal and Performance Management Regulation, 2001:

- To advise the Council on all matters related to compliance and effective governance.
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual DoRA and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the municipality as council may request.
- To perform such other functions as may be prescribed to it by council.
- To review the quarterly reports submitted to it by internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To evaluate audited financial statements and reports with regard to the procurement of items and services.

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- The compilation of reports to Council, at least twice during a financial year.
- To review the performance management system and make recommendations in this regard to Council.
- To assess whether the performance indicators are sufficient.
- To determine possible reasons for discrepancies between performance and targets.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized.
- To review significant transactions that does not normally form part of Council's business.
- To review the disaster recovery plans.
- To review the annual report of the municipality.
- Investigating cases of fraud, misbehaviour and conflict of interest involving employees.
- To focus on and review changes in the accounting policies.
- Making recommendations to Council and also carrying out its responsibility to implement the recommendations.
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.
- On a regular basis, review its own effectiveness against pre-set criteria.
- Review the plans of the Internal Audit function and in so doing, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Review audit results and action plans implemented by management.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.
- Provide council with comments and recommendations with regard to the proposed budget for the following year.

B) MEMBERS OF THE AUDIT COMMITTEE

Name of representative	Capacity	Meeting dates
Mr. A Pienaar	Chairperson	1 September 2009 8 December 2009 14 January 2010 (special meeting) 26 May 2010
Mr. E Parry	Member	
Mr. H Liebenberg	Member	
Mr. M Wallace	Member	

Table 20: Members of the Audit Committee

INTERNAL AUDITING

Section 165 (2) (a), (b)(iv) of the MFMA requires that the internal audit unit of a municipality must –

- prepare a risk based audit plan and an internal audit program for each financial year; and
- advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating risk and risk management.

Below are the functions of the Internal Audit Unit that was performed during the financial year under review:

Function	Date/Number
Risk analysis completed/reviewed	Roll-over plan from 2008
Risk based audit plan approved for 2009/10 financial year	Roll-over plan from 2008
Internal audit programme drafted and approved	Forms part of the approved audit plan
Number of audits conducted and reported on	13 Excluding <i>ad-hoc</i> projects
Audit reports included the following key focus areas:	
<i>Internal controls</i>	13
<i>Accounting procedures and practices</i>	13
<i>Risk and risk management</i>	1
<i>Performance management</i>	1
<i>Asset management</i>	13
<i>Compliance with the MFMA and other legislation</i>	13

Table 21: Internal Audit Functions

2.5.4 POLICIES

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted
Annual amendment of the Supply Chain Management Policy	July 2009
Standard Operating Procedures: Fire and Disaster Management Department	July 2009

Table 22: Policies

2.5.5 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa, 1996, and other statutory enactments all impose an obligation on local government communicators which requires high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making therefore ample provision is made in the abovementioned legislation for communities to exercise their right in this respect. Overberg District Municipality is committed to the principle of ***Batho Pele*** and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) always put people first in what they do.

South Africa has adopted a system of developmental local government, which addresses the inequalities and backlogs of the past whilst ensuring that everyone has access to basic services, opportunities and an improved quality of life.

To be successful, communications must focus on the issues that are shown to impact on the residents' perceptions, quality of service, value for money and efficiencies. They should ideally look to close the communication-consultation loop, i.e. tell people how they can have a say to demonstrate and evaluate what impact their participation had on the outcomes.

Good customer care is clearly of fundamental importance to any organisation. The political turmoil and related suspensions of various officials, which ended up in the High Court, as well as the critical shortage of staff capacity, public relations of the municipality are currently being viewed in a negative light. A successful communication strategy is being developed to address the matter and link the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	No
Communication strategy	No
Communication Policy	No
Customer satisfaction surveys	No
Functional complaint management systems	No
Newsletters distributed at least quarterly	No

Table 23: Communication Activities

2.5.6 WEBSITES

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Yes/ No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget implementation policies	Yes
Tariff policy	Yes
Credit control policy	No
Valuation policy	Yes
SCM policy	Yes
Annual report (08/09)	Yes
Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2009/10	Yes
All service delivery agreements for 2009/10	Yes
All long-term borrowing contracts for 2009/10	Yes
All supply chain management contracts above the prescribed value for 2009/10	Yes
All financial quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2009/10	Yes

Table 24: Website Checklist

Chapter 3

Organisational Development Performance



CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.1 CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Challenge	Actions to be address
Outdated Organogram and shortage of staff	Organogram to be reviewed and implemented
No records management policy in place	Policy to be developed in the 2010/11 financial year
Unskilled Personnel	Training of current personnel and employment of people with the necessary skills in vacant positions
Insufficient training	To provide proper training for personnel in specific positions in terms of the approved WSP
Retention of skilled personnel	Development and implementation of a scarce skills policy

Table 25: Challenges – Municipal Transformation and Organisational Development

3.2 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The municipality has an approved establishment of **317** permanent and **13** temporary employees. The figure includes 3 Section 56 employees (senior management). The primary objective of Human Resources Management is to render an effective Human Resource Service that addresses both skills development, employment equity and an administrative function.

3.2.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1), states that affirmative action measures are designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

A) EMPLOYMENT EQUITY TARGETS/ACTUAL

African			Coloured			Indian			White		
Target June	Actual June	Target reach (%)	Target June	Actual June	Target reach (%)	Target June	Actual June	Target reach	Target June	Actual June	Target reach (%)
88	85	97	202	195	97	0	0	100	49	50	100

Table 26: 2009/10 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
243	242	99.5	96	88	92	7	7	100

Table 27: 2009/10 EE targets/actual by gender classification

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B) EMPLOYMENT EQUITY VS. POPULATION

Description	African	Coloured	Indian	White	Total
Population numbers	47 511	140 158	238	49 648	237 555
% Population	20	59	0.1	21	100
Number for positions filled	80	187	0	50	317
% for Positions filled	25	59	0	16	100

Table 28: EE Population 2009/10

C) OCCUPATIONAL LEVELS - RACE

The table below categorises the number of employees by race within the occupational levels:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	3	0	0	0	0	0	0	3
Senior management	0	1	0	6	0	1	0	1	9
Professionally qualified and experienced specialists and mid- management	0	4	0	12	1	3	0	2	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	9	57	0	14	5	16	0	13	114
Semi-skilled and discretionary decision making	20	18	0	1	1	11	0	0	51
Unskilled and defined decision making	32	55	0	1	12	18	0	0	118
Total permanent	61	138	0	34	19	49	0	16	317
Non- permanent employees	4	5	0	0	1	3	0	0	13
Grand total	65	143	0	34	20	52	0	16	330

Table 29: Occupational Levels

D) DEPARTMENTS - RACE

The following table categorises the number of employees by race within the different departments:

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of Municipal Manager	0	2	0	1	0	0	0	1	4
Support Services	1	5	0	6	1	10	0	8	31
Community Services	60	131	0	27	18	39	0	7	282
Total permanent	61	138	0	34	19	49	0	16	317
Non- permanent	4	5	0	0	1	3	0	0	13
Grand total	65	143	0	34	20	52	0	16	330

Table 30: Department – Race

3.2.2 VACANCY RATE

The approved organogram for the municipality contained **417** posts for the 2009/10 financial year. The actual positions filled are indicated in the tables below by post and functional level. **100** Posts were vacant at the end of 2009/10, resulting in a vacancy rate of **24%**.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL		
Post level	Filled	Vacant
MM & MSA section 57	3	1
Senior Management	8	2
Middle Management	24	11
Junior Management	105	49
Semi skilled	48	6
General Workers	129	32
Total	317	100
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Office of the Municipal Manager	4	9
Support Services	31	12
Community Services	282	79
Total	317	100

Table 31: Vacancy rate per post and functional level

3.2.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality.

The table below indicates the turn-over rate:

Financial year	No of new appointments during 2009/10	Total no of filled posts at 30 June 2010	No of terminations during 2009/10	Turn-over Rate (%)
2009/10	8	317	3	0.9

Table 32: Turnover Rate

3.3 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analyzing and coordinating employee behaviour.

3.3.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows an increase for the 2009/10 financial year from **47** employees injured against **45** employees in the 2008/09 financial year.

The table below indicates the total number of injuries within the different directorates:

Directorates	2008/09	2009/10
Office of the Municipal Manager	0	0
Support Services	1	1
Community Services	44	46
Total	45	47

Table 33: Injuries

3.3.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees having taken sick leave during the 2009/10 financial year shows a decrease in comparison to the 2008/09 financial year.

The table below indicates the total number of sick leave days taken within the different directorates:

Department	2008/09	2009/10
Office of the Municipal Manager	44	13
Support Services	192	295
Community Services	1 979	1 807
Total	2 215	2 115

Table 34: Sick Leave

3.3.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff management and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved:

Name of policy	Date approved	Date of last revision
Recruitment & Selection	11 December 2003	6 October 2006
Study Bursaries	11 December 2003	6 October 2006
Private Work	13 December 2001	6 October 2006
HIV/Aids	11 December 2003	6 October 2006
Tobacco Smoking	27 September 1999	6 October 2006
Computer	11 December 2003	6 October 2006
Subsistence and Travel Allowance	1 January 2002	6 October 2006
Payment for additional Duties	30 July 2007	-

Table 35: HR policies and plans

3.3.4 EMPLOYEE PERFORMANCE REWARDS

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after -

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of employees that received performance rewards:

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
African	Female	19	0	0
	Male	61	0	0
Asian	Female	0	0	0
	Male	0	0	0
Coloured	Female	49	0	0
	Male	138	2	1.44%
White	Female	16	0	0
	Male	34	0	0
Disability	Female	0	0	0
	Male	0	0	0
Total		317	2	0.6

Table 36: Performance Rewards

3.4 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

3.4.1 SKILLS DEVELOPMENT – TRAINING PROVIDED

The Skills Development Act (1998) and the Municipal Systems Act (2000) require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55 (1) (f) stipulates that, as head of administration, the Municipal Manager is responsible for the management, utilization and training of staff.

3.4.1.1 STAFF TRAINING

The Workplace Skills Plan (WSP) for the financial year 2010/11 and the Annual Training Report for the 2009/2010 financial year was submitted to the LGSETA on 30 June 2010.

Occupational category	Gender	No. of employees as at 1 July 2009	Training provided within reporting period		
			Required	Actual training received	Percentage of total employees who received training
Legislators	Female	5	1	3	50
	Male	9	3	4	
Directors & Corporate Managers	Female	1	1	1	71
	Male	6	6	4	
Professionals	Female	1	0	1	100
	Male	3	4	3	
Technicians & Trade Workers	Female	10	4	10	98
	Male	40	16	39	
Community & Personal Serv Workers	Female	6	2	5	52
	Male	36	7	17	
Clerical & Administrative Workers	Female	30	10	19	67
	Male	12	4	9	
Machine Operators & Drivers	Female	0	0	0	91
	Male	35	11	32	
Labourers	Female	23	8	12	80
	Male	95	40	82	
Apprentices	Female	0	0	0	0
	Male	0	0	0	
TOTAL		312	117	241	77

Table 37: Official Training

3.4.1.2 COUNCILLOR TRAINING

The training programme that was completed by the councillors of the municipality is summarised in the following table:

Name of training programme	Short description	Number of councillors							
		Gender		Race					
		Female	Male	AF	AM	CF	CM	WF	WM
Executive Leadership Development Programme	Leadership and Development for Councillors	0	2	0	0	0	2	0	0
Total		0	2	0	0	0	2	0	0

Table 38: Councillor Training

3.4.2 SKILLS DEVELOPMENT – BUDGET ALLOCATION

The table below indicates that a total amount of **R 60 500** were allocated for the Workplace skills plan and that **56%** of the total amount was spent in the 2009/10 financial year:

Total personnel budget	Total Allocated for Skills Development	Total Spend	% Spent
33 222 570	60 500	33 910	56

Table 39: Budget allocated and spent for skills development

The reason for this under-spending is the fact that the Municipality are under financial pressure and cannot afford the travel and subsistence allowances related to skills training.

3.5 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations (2002) as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

3.5.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowances for the past three financial years and that the municipality is currently over the national norm of between 35 to 40%:

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Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	(R'000)	(R'000)	(%)
2007/08	40 418	89 216	45
2008/09	45 573	93 114	49
2009/10	52 055	98 797	53

Table 40: Personnel Expenditure

Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2006/7	2007/8	2008/9	2009/10		
Description	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
<u>Councillors (Political Office Bearers plus Other)</u>						
Salary	1 893	1 871	2 207	2 300	0	2 171
Pension Contributions	175	93	94	100	0	102
Medical Aid Contributions	65	65	73	75	0	61
Motor vehicle allowance	697	694	813	850	0	794
Cell phone allowance	102	104	120	125	0	122
Housing allowance	38	0	0	-	0	0
Other benefits or allowances	5	40	0	50	0	0
In-kind benefits	0	0	0		0	0
Sub Total	2 975	2 876	3 307	3 500	-	3 250
% increase	-	(20.7)	33.5	(100)	-	(4.3)
<u>Employees</u>						
Salary	26 629	25 422	28 172	23 727	25 230	33 606
Pension Contributions	3 742	3 670	4 030	5 457	5 119	4 487
Medical Aid Contributions	1 863	1 722	1 751	3 463	2 113	1 993
Motor vehicle allowance	1 949	1 209	1 831	4 000	2 536	2 383
Cell phone allowance	0	0	4	0	8	8
Housing allowance	341	353	412	688	433	282
Overtime	1 723	1 292	1 755	1 746	1 334	1 626
Performance Bonus	2 111	1 849	2 163	3 024	2 959	2 238
Other benefits or allowances	10 251	1 072	1 210	1 069	1 840	2 082
In-kind benefits	0	0	0	0	0	0
Sub Total	486 089	36 588	41 327	43 173	41 573	48 704
% increase	-	(92.5)	13.0	4.5	(3.7)	17.2

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Financial year	2006/7	2007/8	2008/9	2009/10		
Description	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
Total Municipality	489 063	39 455	44 634	46 673	41 573	51 954
% increase		(91.9)	13.1	4.6	(10.9)	25.0

Table 41: Summary of Councillors and Staff Benefits



Chapter 4

Strategic Performance



CHAPTER 4: STRATEGIC PERFORMANCE

This chapter provides information on the strategic performance of the municipality and indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities develop strategic plans and allocate resources for the implementation. The implementation is monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timorously implement corrective measures, where required.

This chapter addresses the strategic performance highlights in terms of the Municipality's Integrated Development Plan (IDP), performance on basic service delivery and progress with addressing backlogs through utilization of the Municipal Infrastructure Grants (MIG) projects as well as the spending priorities for the following year. It addresses the communication and public participation processes of the Municipality to give a holistic view of how the Municipality communicates performance to its stakeholders.

The table below is a summary of the strategic focus area for the ODM, including the goals, strategies and development objectives of the ODM. The strategic focus areas are:

Strategic Focus Areas
To facilitate the delivery of sustainable infrastructure and services
To promote economic development and reduce poverty
To promote and enhance human development
To promote good governance and financial management

Table 42: Strategic Focus Areas

The Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Planning and the Performance Management Regulations 2001, require municipalities to adopt a performance management system. Once the IDP and budget have been prepared and approved, the Municipality prepared their Service Delivery and Budget Implementation Plan (SDBIP) in accordance with the MFMA and MFMA Circular 13. The SDBIP indicates monthly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets.

4.1 NATIONAL KEY PERFORMANCE INDICATORS

The following table indicates the municipality's performance in terms of the National Key Performance Indicators as required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001.

KPA & INDICATORS	Municipal Achievement	Municipal Achievement
	2008/09	2009/10
<u>Municipal Institutional development and transformation</u>		
(a) The number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	3	3
(b) The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.05	0.04
<u>Local economic development</u>		
The number of jobs created through municipality's local economic development initiatives including capital projects	N/A	25
<u>Municipal financial viability and management</u>		
Financial viability as expressed by the following ratios:		
▪ Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	31.54	34.27
▪ Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	0.010	0.012
▪ Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure)	1.143	0.960
<u>Good governance and public participation</u>		
The percentage of the municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	31	86

Table 43: Performance in terms of the National Key Performance Indicators

4.2 BASIC SERVICE DELIVERY

4.2.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

Highlight	Description
Service delivery	1. Received EWPOWERDEX Award for best improved district municipality nationally on service delivery
Fire and rescue management	2. Disaster Management Centre – one of best in country 3. Compiled own Disaster Management Framework saving R100 000 4. Obtained own helicopter for fire season 5. Established a weather station in Disaster Management Centre 6. Operations during cloud burst in Struis Bay area 7. Accredited Training Centre 8. Successful implementation of Soccer World Cup in Overberg 9. Safe Beaches project and rescue of boys on open sea
Municipal health	1. Successful implementation of Soccer World Cup in Overberg 2. No water borne illnesses in Overberg 3. Compiled Air Pollution Plan for district in-house 4. Dairy products in District of high quality due to strict control
Environmental management	1. Involvement of 298 learners in environmental project 2. Involvement in Agulhas Biodiversity Successes 3. Compiled integrated solid waste plan for Overberg 4. Clean audit report at Karwyderskraal
Human development	1. Completed Early Child Development Plan for Overberg 2. HIV/AIDS Strategy for Overstrand completed 3. Successful Women's Day for entrepreneurs and staff 4. Major drug awareness campaign in Overberg resulting in commencement with establishment of Rehabilitation Centre 5. Various Global Funds projects 6. "Loslit" day to promote good teambuilding amongst staff
Roads	1. Repaired of all roads damaged in heavy floods within 3 weeks
Resorts	1. Upgrading of resorts 2. Increase of income from Uilenkraalsmond
Programme services	1. Regional Tourism Unit established 2. Local Economic Strategy approved
Financial services	1. Replaced main frame computer and upgrading from Lansuite 602 to Groupware 6 2. Upgraded SAMRAS DB4 3. Unqualified audit 4. Compiled Asset Register 5. Improved SCM processes 6. Entered into various MOU's (capacity building, communication officer, financial officer, engineer, funding of helicopter, youth funds,

Highlight	Description
	risk management plan)
Corporate services	1. Appointment of full-time Safety Representative for Roads Division 2. Disciplinary actions to improve overall performance of municipality 3. LLF, Occupational Health and Safety Committees functioning well in first semester 4. GIS training for various staff members 5. Major clear-up of various store rooms all over the district after building of new archive and instalment of filing cabinet-system 6. Commenced with in-house compiled electronic records management system 7. Improved contract appointment system at resorts 8. Arranged various SALGA and DBSA training sessions at ODM to save on travel and subsistence for training 9. SDBIP reporting and Performance Management Process implementation well under way in first semester 10. Implemented improved system for Cleaning of offices to improve hygiene and working conditions for staff Commenced with compilation of various policies for submission to council in first semester 11. Commenced with investigation of misuse of resources (phone, copying etc) in first semester 12. Land audit completed 13. Commenced with process to get Uilenkraalsmond and Dennehof transferred to ODM 14. Macro structure widened to reflect Financial Services, Corporate Services and Community Services for improved service delivery
Internal audit	1. Compiled Internal Audit Plan 2. Established fully functioning Internal Audit Unit 3. Rendered Shared Services (Financial Services) at B-municipalities that required assistance

Table 44: Basic Services Delivery Highlights

4.2.2 CHALLENGES

Challenges experienced by the municipality are indicated in the table below.

National Key Performance Area	Priority Area	Challenges	Actions to address
Good Governance and Public Participation	Roles and responsibilities of councillors	New inexperienced councillors	To build the capacity of the new councillors in their roles and responsibilities
Municipal Transformation and	Organisational structure	Inadequate macro and micro structure and ineffective KPA's	Revision of the micro structure and developing of improved KPA's

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National Key Performance Area	Priority Area	Challenges	Actions to address
Institutional Development	HR Policies and Systems	Outdated policies and systems	Development of new and revision of all HR policies
	Disciplinary procedures	- Limited capacity in the HR department due to budget constraints - Line management not adequately trained to take responsibility for discipline and maintenance of order in municipality	- Provision of sufficient capacity to swiftly address disciplinary matters - Training of officials to be able to act as Chairperson and Prosecutor
	Organisational Performance Management Sys-tem	Staff shortage and budget constraints	Provision of sufficient capacity to fully implement a functional and legislative compliant performance management system
	Vacancies	- Vacancies in critical positions - Large number of Contract appointments	Appointment of skilled personnel in critical posts
Municipal Financial Viability and Management	Risk Management	No Risk Management Policy in place	To compile a Risk Management Policy in line with the assessment that was completed
Basic Service Delivery	Solid waste facility (Karwyderskraal)	Lifespan of the site has almost been reached. Obtaining funding of R 8 million to increase the capacity of the site	To identify income streams to fund the new cell ensuring that end-users pay for utilization of the facility
	Fire and Rescue	Vehicle Replacement Policy required and budget constraints to replace vehicles and the fill vacancies	Increase budget to fill vacancies and replace old vehicles
	Municipal Health	Critical shortage of skilled personnel and budgetary constraints with regard to operational transports costs	Revision of organogram and increase budget for the Municipal Health function
	Water monitoring programme	Inadequate personnel and budget for the monitoring in rural areas	Appointment of personnel with DBSA support and to implement the sampling project
	Resort management	Determination of ownership and varied assumed rights	Obtained a legal opinion but no progress was made with implementation of transfer of properties to Council
		Transfer of properties to ODM	Appointed consultant to support municipality
		To increasing the income of the resorts	Implement improved control and management mechanisms
		Upgrading of resorts	Securing of funds

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National Key Performance Area	Priority Area	Challenges	Actions to address
		Decaying infrastructure of resorts	Securing of funds
		Lifting of moratorium and finalization of semi-permanent contracts	Moratorium lifted since December 2010, but contracts must still be addressed
		Insufficient security	Award security tender
Local Economic Development	Economic Development Projects	Limited funding available for project implementation	Implemented as per budget and fund from signed SLA's

Table 45: Priority Areas and challenges

4.3 ACCESS TO BASIC LEVEL OF SERVICES

Access to basic services has a considerable influence on the standard of living and quality of life of people. The table below shows the backlogs with regard to priority services that still exist in the Overberg region.

Municipality	Total no of Households	% of Households without access				
		Water	Sanitation	Electricity	Refuse Removal	Households in Informal dwellings
Cape Agulhas	7 616	1.3	5.1	7.2	10.4	11.1
Overstrand	21 952	0.7	1.7	18.5	1.9	14.7
Swellendam	6 958	3.3	5.3	20	16.4	6.4
Theewaterskloof	23 464	0.9	10.6	22.4	8.3	10.1
DMA	65	0	0	0	0	0
TOTAL	60 055	6.2	22.7	68.1	37	42.3

Table 46: Access to basic level of services

Source: Local Government Turn-around Strategy, 2009

A) CAPITAL BUDGET SPENT ON MUNICIPAL SERVICES

The percentage (%) of the total approved capital budget spent on each municipal service respectively for the 2007/08, 2008/09 and 2009/10 financial years are as follows:

Financial Year	Public and Safety	Resorts	Municipal health	Properties	Finance and Admin	Council and Executive
	(%)	(%)	(%)	(%)	(%)	(%)
2007/08	98	99	99	0	99	98
2008/09	55	80	66	0	48	23
2009/10	94	83	78	100	54	0

Table 47: Budget percentage spent on respective services

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The following table indicates the total amount of capital expenditure on new assets by asset class for the past three financial years:

Description	2007/08	2008/09	2009/10		
	Actual	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure on new assets by Asset Class/Sub-class (R'000)					
Infrastructure					
Infrastructure - Road transport	N/A	N/A	N/A	NA/	N/A
Infrastructure - Electricity	N/A	N/A	N/A	N/A	NA
Infrastructure - Water	N/A	N/A	150	95	50
Infrastructure - Sanitation	N/A	N/A	0	280	268
Infrastructure - Other	N/A	915	2 600	2 375	2 175
Other assets	N/A	2 057	N/A	N/A	981
Intangibles	-	-	-	-	-
Total Capital Expenditure on new assets	-	3 002	2 750	2 750	3 456

Table 48: Total capital expenditure on new assets

B) PERCENTAGE SPENDING ON TOTAL CAPITAL BUDGET

The total percentage (%) of the capital budget for the past three years is indicated in the table below:

Financial year	% of Capital budget spent	Reasons for under spending
2008/2009	27	Capital projects at resorts were put on hold until clarity regarding ownership had been obtained
2009/2010	86	Reprioritisation of projects

Table 49: Total capital expenditure

4.4 GRANTS

The DORA grants received during the financial year were spent as follows:

Grant Name	Grant Purpose	Amount Received	Amount Spent
Finance Management Grant	To enhance financial reform in the municipality	750 000	750 000
Municipal Systems Improvement Grant	To assist the municipality to perform its functions and stabilise institutional capacity and governance	735 000	731 579
Equitable share	To finance the operations of the municipality	37 188 000	37 188 000

Table 50: Grants

4.5 ROADS

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

A) TARRED ROADS

Financial year	Total km tarred roads	Km of new tar roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2008/09	430	0	13.65	0	430
2009/10	430	0	0	0	430

Table 51: Tarred roads

B) GRAVELLED ROADS

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/maintained
2008/09	3 200	57.05	1.0	6 657
2009/10	3 200	50.71	0.3	6 894

Table 52: Gravelled roads

C) COST OF CONSTRUCTION/MAINTENANCE

The costs involved in the maintenance and construction of roads within the municipal area is indicated below:

Financial year	Gravel			Tar		
	New R'000	Gravel – Tar R'000	Maintained R'000	New R'000	Re-worked R'000	Maintained R'000
2007/08	12 800	0	13 170	0	3 537	3 360
2008/09	10 329	810	18 208	0	257	5 503
2009/10	13 379	280	1 575	0	0	5 039

Table 53: Cost of construction/maintenance of roads

4.6 MUNICIPAL HEALTH

The Municipal Health Department has regular two monthly meetings in a form of a working group with all District Municipalities in the Western Cape, Cape Peninsula University of Technology, Provincial Health and the Metro. The purpose of the meetings is to attend to the items concerning standardisation of operational procedures.

The table below indicates various municipal activities with regard to the Municipal Health function:

Function	Description of activities during 2009/10
Water quality monitoring	The applicable monitoring of potable water, final outflow of sewerage water, recreational water and storm water were done regularly and the results were communicated with the local municipalities in the ODM area
Food control	• Foods from various sources were sampled and food premises were inspected • Numerous food handlers were trained • Special attention was given to the quality of bottled water and other foods stuff during the soccer world cup
Waste management	The waste management chain was monitored and areas where there are room for improvement were communicated to local municipalities
Health surveillance of premises	Government premises like police stations, schools and hostels, farms, cemeteries and medical waste generators are being monitored on an ongoing basis
Surveillance and prevention of communicable diseases, excluding immunisations	The Rift Valley Fever outbreak in the country did spread to the Western Cape, but no cases were reported in the Overberg area and all other notices were dealt with swiftly and effectively
Vector control	It is an ongoing process to combat flies, cockroaches, mosquitoes, rodents

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Function	Description of activities during 2009/10
	and other creatures that can spread diseases to humans and a significant amount of time was spent on control measures
Environmental pollution control	The continuous monitoring of water, soil and air pollution is very important to the Environmental Health Practitioners (EHP's)
Disposal of the dead	Various pauper burials were attended to and cemeteries and undertaker premises were monitored for compliance
Chemical safety	Chemical safety monitoring is difficult and expensive to perform, but all cases raised were attended to

Table 54: Municipal Health Development Strategies Progress

The table below reflects some of the matters addressed by the Environmental Health Practitioners (EHP's) within the ODM Municipal Area.

Items	No of inspections	Action
Farm Inspections	276	Inspections of subsistence facilities
Complaints received	788	All attended to and some premises were issued with notices
Dairies	466	Inspections were done, reports written and certificates of acceptability (COA's) were issued in terms of Regulation 1256
Landfill Sites	286	Monitored according to the permit conditions
Building plans scrutinized	2 794	Comments were forwarded to the relevant B-Municipalities
Sewerage disposal sites	295	Monitored according to permit conditions
Informal settlements	279	Inspections of subsistence facilities
Monitoring of water quality	1 036	Took samples at various water sources
Monitoring of food	331	Monitored foodstuffs according to the Foodstuffs, Cosmetics and Disinfectants Act
Training of Food Handlers	295	Provided health education to food handlers
Medical Waste Generators	74	Monitored in terms of the Council's Environmental Health By-law
Food handling premises	2 168	Provided health education, issued written notices and certificates of acceptability in terms of Regulation 918
Cemeteries	150	Inspections to prevent nuisances
Premises (non food)	476	Inspections and various letters written to enforce compliance
Industries	137	Inspections and activities done to enforce compliance

Table 55: Municipal Health Inspections

4.7 FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES



Overberg Fire and Rescue Service provides a full fire service as per the Fire Brigade Services Act for the Cape Agulhas, Theewaterskloof and Swellendam Municipalities.

From the regional control centre, attached to the Disaster Management Centre in Bredasdorp responses are activated from the different stations to emergency calls ranging from major fires, flooding, accidents and rescues to the cat trapped on the telephone pole.

A Co-operation Agreement exists between Overstrand Municipality and Overberg District Municipality with a very close working relationship between the two authorities' Fire and Rescue departments.

4.7.1 SERVICES PROVIDED DURING MAJOR EVENTS

Major events for 2009/10	Description
Soccer World Cup	The main function during the soccer world cup was to ensure that effective disaster management and emergency coordination took place
Mega week	Effective disaster management and emergency coordination took place during this biggest agricultural event in the Western Cape attracting in excess of 6 000 people
Foot of Africa Marathon	Effective disaster management and emergency coordination took place during the annual marathon with 1 700 athletes on different routes
December Fires	Successful fire fighting and evacuation took place during the huge fires in the Botriver and Pearly Beach areas

Table 56: Major Events

4.7.2 PERFORMANCE HIGHLIGHTS - FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES

Highlight	Description
The implementation and execution of the "Safer Beaches" Program	Successful program was implemented during the December summer holidays with a helicopter and surf rescue service
Provision of a rescue ability with trained personnel and resources	Six tourists rescued with the helicopter
	Three successful mountain rescues
	Two successful water rescues
Provision of a Hazardous Material Reaction Team to deal with Hazardous Material Incidents	Hazardous Material response team was established from within our own staff

Table 57: Fire, Rescue and Disaster Management Highlights

4.7.3 CHALLENGES - FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES

Description	Actions to address
Vehicle age and shortage	Procurement process according to budget
Personnel shortage	Appointments of skilled staff according to budget

Table 58: Fire, Rescue and Disaster Management Challenges

4.8 ENVIRONMENTAL MANAGEMENT

Planning for the Development of a third waste cell is in process to ensure that additional air space is created for the next five years.

Consultants were appointed to oversee the three-phase process, consisting of the following:

- Appointment of service provider, revision of the operational plan and approval of the contract;
- Oversight of the tender process; and
- Oversight of the revision of the Integrated Waste Plan for the ODM region.

4.9 LED

4.9.1 LED STRATEGY

The goals and objectives of the LED Strategy are to investigate the options and opportunities available to the local communities of the Overberg District Municipality. It aims to broaden the local economic base of the area in order to address the creation of employment opportunities and the resultant spin-off effects throughout the local economy and poverty relief. The LED Strategy also strives to enhance the multiplier and trickledown effect that the Overberg stands to gain from the successful implementation of identified projects.

By implementing the LED strategy within the ODM, it will create new jobs, and businesses as well as improving the quality of existing jobs and expanding existing businesses. The LED of the District is thus important as it will achieve the following:

- Creation of jobs and new employment opportunities;
- Creation of opportunities for entrepreneurs;
- Increase income levels and enable people to pay for services;
- Broaden the tax and revenue base of the local authority.
- Enable the Local Authority to:
 - Provide more and better services and facilities;
 - Concentrate on human development potential within the Overberg;
 - Concentrate on opportunities for development;
 - Promote linkages between developed and under-developed areas and
 - Build new institutions for sustainable economic development.

The Overberg District Municipality will use this important strategy as a tool for the alleviation of poverty and the development of sustainable local economies. It can unlock economic opportunities, in the District that will create jobs and ultimately uplift the livelihoods of the people in the area.

CHALLENGES

The District neither had the financial resources nor a suitably qualified and dedicated official to drive the LED-function, but will make a suitable appointment will be made in the new financial year to ensure the roll-out, funding and implementation of the projects identified in the Strategy.

4.9.2 LED INITIATIVES

With a limited budget for LED Projects and one official to assist with LED implementation, the following initiatives has been initiated in the municipal area:

Description of EPWP projects	No of jobs created	Total Investment to date
Road Maintenance – Bredasdorp	11	R124 740
Waste Removal	14	R145 000

Table 59: LED initiatives

4.10 TOURISM

Tourism and agriculture are the main economical drivers in the Overberg region. Tourism plays a very important role within the municipal plans to promote local economical development within the region. Due to the growth in the tourism industry, opportunities can be created that can benefit local communities.

Transformation of the tourism industry remains a key challenge. The development of tourism projects, training and opportunities for SMME's and emerging entrepreneurs is an integral part of the function of the Regional Tourism Organisation (RTO).

Objectives:

- To build a strong, integrated Overberg tourism brand;
- To ensure shared growth of all Tourism products within the district;
- To grow tourist numbers through making the Overberg the preferred destination for its target markets;
- To build a positive perception towards the benefits of tourism and thereby around the function of the Regional Tourism Office;
- To market the ODM resorts as tourist destinations;
- To compile a brochure for future investments in the Overberg;
- To support local **tourism** bureaus (LTB's) in hosting tourism projects and
- To promote SMME tourism projects

4.10.1 THE REGIONAL TOURISM ORGANISATION (RTO)

The mandate of the Tourism division in the Overberg District Municipality and the official Regional Tourism Office (RTO), is marketing and developing of tourism in the Overberg region.

A part of the RTO's functions, is to support and co-ordinate the local tourism organisations (LTOs).



Vision:

To establish the Overberg as an internationally recognized, highly desirable and safe eco-destination, with a constantly increasing flow of tourist throughout the year and where tourism benefits all.

Mission:

To responsibly market sustainable tourism products and resources of the Overberg to meet the needs of tourists, stakeholders, products and communities alike, through promotion, product development, education and the protection of natural assets.

4.10.2 THE OVERBERG DISTRICT MUNICIPALITY (ODM) TOURISM WORKGROUP STRUCTURE

The ODM invites all Local Tourism Organisations (LTO's) to be a part of the marketing strategy to cooperate towards one goal encompassed in the Vision. Monthly meetings were held to determine marketing strategies for the Overberg region.

In the financial year 2009/10 the division participated in the following tourism-related meetings:

- 27 November 2009, Gansbaai: Road sign meeting

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- 10 December 2009, Bredasdorp: Cape Town Routes unlimited (CTRU) workshop
- 15 December 2009, Overstrand & Theewaterskloof: Introduction
- 14 January 2010, Bredasdorp: 2010 Co-ordinators meeting
- 19 January 2010, Swellendam: Introduction
- 27 January 2010, Bredasdorp: Resort
- 27 January 2010, Cape Agulhas: Amalgamated Beverage Industries (ABI)
- 01 February 2010, Bredasdorp: Indaba Committee meeting
- 8 February 2010, Greyton: Tourism Strategy Workshop
- 18 February 2010, Cape Town: CTRU Training and SMME's meeting
- 01 March 2010, Caledon: Indaba Committee meeting
- 04 March 2010, Hermanus: RED Door Networking session
- 29 March 2010, Cape Town: Western Cape Destination conference

The following exposés were attended during 2009/10:

- DSTV Getaway Show: Johannesburg from 11 – 13 September 2009 (Cape Agulhas Tourism (CAT) and Greater Swellendam Marketing Office (STO) attended)
- Indaba: Durban from 8-11 May 2010

4.10.3 TRAINING

The Tourism Office has done a skills survey with the Local Tourism Bureaus within the Overberg region to determine what the Overberg District Municipality can do in terms of providing training that aligns with the needs of the Travel and Tourism sector in the region. It was then suggested that the District would provide a Tourist guide training to fifteen candidates from various regions. The duration of the course was 12 days which included an introduction to a tour guide course and various site visits.

4.10.4 TOURISM INDABA

Indaba took place from 8-11 May 2010 in Durban. The Indaba is an excellent opportunity to promote the region not only to the local tourism industries but also to the international industry. This year the district municipality along with the four local municipalities made a joint effort to attend the Tourism Indaba. The

concept included an Overberg stand with each municipality having representation and an allocated space on the stand. Four PDI's was also sponsored by each of the regions, giving them an opportunity of a life time to learn how the tourism industry operates.

4.10.5 MARKETING CAMPAIGN

In conjunction with the four Local Tourism Organisations (LTO's) the ODM embarked on an Overberg branding campaign. The main project included a four edition advert publication in the well renowned Explore SA magazine. A range of other publications have been done in various magazines to market the Overberg as tourism destination, ODM resorts and LED projects. Furthermore the ODM upgraded and reprinted the very popular Overberg map.

4.11 2010 SOCCER WORLD CUP

Highlights	Description
Ensured a safe and incident Free 2010 soccer tournament	Compiling a Soccer 2010 Disaster Management Plan
	Ensured compliance with FIFA Safety requirements
	Established a Joint Technical Centre involving all role-players
Public viewing area (Fanjol)	The public viewing area was managed by Disaster Management without an incident during the 2010 World Cup

Table 60: Soccer World Cup Highlights

4.11.1 MAYORAL 50 DAYS COUNTDOWN STREET PARTY CELEBRATION

On Friday 23 April 2010 a STREET BASH was held in the street at the ODM offices was to create awareness of the 2010 FIFA Soccer World Cup. People across the Overberg region were bussed in to attend this event. The Event was a joint effort of the Overberg District Municipality and Cape Agulhas Municipality. Street Soccer matches were played and Coca Cola Coke, together with a former Idols winner Karen Kortjé, provided live entertainment for the day.

4.11.2 FANJOL

Through the 2009/10 IDP process, it was identified that the Overberg District Municipality must play a leading role in bringing the Soccer World Cup to the poorest of the poor across the Overberg Region. A "Fanjol" was allocated to the Overberg and the District Municipality had to play a leading role to leave a legacy to the people of the area.

The following goals were achieved:

- Ensured that Overberg residents could "touch" the World Cup
- Successful hosting of the event

- Highlighted opportunities associated with the World Cup
- Promoted football across race, class and gender
- Encouraged more tourists to visit the Overberg, to stay longer and revisit the area
- Reassurance on safety and security issues
- Counter afro-pessimism

Social Benefits

- Upliftment and promotion of communities, artists and events
- Training and skills development transfer
- Contribution to social cohesion
- Promotion of national pride and patriotism

Economic Spin-off's

- Developing sports, arts and culture related enterprises
- Promoting tourism particularly in local tourism
- Creating jobs; and
- Catalyzing commercial activities with entrepreneurial opportunities

Partnerships

- Department of Cultural Affairs and Sport
- Overberg District Municipality to the Overberg Fanjol
- Cape Agulhas Municipality

The Overberg District Municipality was the main partner leading to the event. The municipality organised and planned the event, through the Soccer 2010 coordinator.

The Public Viewing Area was provincially supported. The Department of Cultural Affairs and Sport (DCAS) assisted the project by contributing to the Fanjol budget and supplying marketing material. Two officials from The Department of Cultural Affairs and Sport (DCAS) were based at ODM offices in Bredasdorp to coordinate the planning and managing of the Soccer 2010 Event.

The emergency services unit played a key role in developing the Safety and Security Strategy. The Planning Committee consisted of representatives of the Overberg District Municipality, Cape Agulhas Municipality and The Department of Cultural Affairs and Sport (DCAS).

People were transported in from all parts of the Overberg Region to attend the Fanjol for scheduled matches. It was a huge success and people across the Overberg region felt part of the World Cup.

4.12 HUMAN DEVELOPMENT

4.12.1 YOUTH DEVELOPMENT

The Youth Strategy of the Overberg District Municipality include the following:

- Empowerment of civil society youth in the Overberg region;
- Support existing and developing youth councils;
- Establishing a database of youth organizations by 2011;
- supporting and empowering the youth pertaining social-economic development;
- Identifying and co-ordinating skills development opportunities;
- Initiating district wide programmes and projects to address developmental needs of the youth;
- Developing mechanisms for monitoring and evaluation of the municipality's performance on youth development;
- Providing a platform for advocacy, public information and planning for municipal structure in the municipal area;
- Providing a stakeholder liaison and representation function on youth matters on behalf of management at local, regional and national levels.

The Youth Development programmes also focus on forming partnerships with the various Stakeholders with specific focus on sourcing of funding for and presentation of programmes with ODM.

Partnerships were formed between ODM and NYDA. This Partnership has provided a much needed service to the young people in the District. It was made possible for the YAC to develop a high quality program that is community based and driven, utilising its capable leadership and organisational capacity.

ODM has developed a fully functional Youth Centre with complete infrastructure. Young people have a gateway, which assist them with valuable economic information and counselling support regarding, unemployment, self-employment, career opportunities and health issues. The aim of the YAC is to establish sub offices in other municipalities in the region, which can perform the same or equal services to the Youth with the current office as Head Office.

The other aim of the Youth Development Centre is to stabilize Youth forums within the District. This can be achieved with the assistance and input from the local municipalities within the District.

The following activities took place within the ODM jurisdictional area:

- Basic Computer Training programs
- FIFA Soccer World Cup
- Youth Day
- Planning and preparation of life skills programs
- Workshops with specific focuses
- Awareness Campaigns
- An information board was installed to advertise vacancies and interesting activities that take place within the ODM
- Youth were assisted with CV writing skills
- Career opportunity information is disseminated from the Centre and
- Rural development opportunities within their respective communities.

4.12.2 POVERTY ALLEVIATION

Poverty alleviation in the Overberg District municipality started as a pilot project with a health education programme. Through this project the Lobi Landscape project started to beautify informal areas within Zwelihle. Fourteen job opportunities were created through this initiative.

4.12.3 HUMAN RIGHTS FOCUS

In terms of the Human Rights focus the ODM has supported and has been involved in the sub-districts with projects that involve persons with disabilities, through capacity building and financial support.

The project "Mind over Matter" in Genadendal involved 20 people from the area and has an income generation focus.

The Overberg Wheelchair Association focuses on "wheels and runners marathons". An association for persons with disabilities in the Overstrand area was established.

The municipality attends meetings of the Western Cape Network on Persons with Disabilities and the meetings of the Access Committee in Hermanus was also attended and supported.

The Human Development Officer assisted Camphill College with their outreach programme and an Open Day was held on 3 December 2009 (International day for persons with Disabilities). A disability Audit was also done in December 2009.

The Department of Premier assisted with a human rights workshop in the Overberg. Children from the Overberg attended the Children's Right Commissions and Day of the African Child events in Benoni and

Johannesburg. The District involvement with Aged are linked to Social Development activities on the rights of the older persons. Events in the Overberg that the District financially contributed to are mainly the Golden Games and Heritage Programmes initiated by Aged in Action.

The Elderly Project supported Siya Zama Service centre in Zwelihle and a new service centre, Pearly Shell service centre in Hawston.

4.12.4 EARLY CHILDHOOD DEVELOPMENT

The main focus of Early Childhood Development in the Overberg District municipality is:

- Awareness of Early Childhood Development issues; and
- The establishment of a healthy community focussing on children's rights and child health issues.

Through these focuses, an Early Childhood Development Strategy for the ODM was drafted and approved.

The ODM multi-stakeholders meeting takes places every second month.

4.13.5 REHABILITATION CENTRE

The proposal for the establishment of the Rehabilitation centre for the district was drafted.

The land acquisition application was sent to the "B" Municipality for approval to utilise the land for the purpose of establishing the Rehabilitation Centre.

4.12.6 WOMEN'S DAY

The Overberg District Municipality held a Women's Day during September 2009 with the overall aim and objectives outlined as follows:

- Provide an opportunity where other women could learn from the example that females set themselves;
- Provide an opportunity for local economic development;
- Further empowerment of women;
- Focus on women in rural communities/women on farms
- Women's Rights Education;
- Develop young women into strong community leaders
- Addressing challenges women face
- Promote a healthy lifestyle and
- To unite women of all races and religions.

The Day was a huge success as female farmers in the ODM area proudly presented their projects. The women were commended and they were presented with certificates.

Partnerships were formed to make the day successful and the Department of Agriculture, the surrounding municipalities and female farmer projects were included.

4.12.7 HIV/AIDS STRATEGY

The ODM has conducted studies of the trends in the District. The District municipality through their involvement with the global funds made an impact to help reduce HIV/AIDS. The roles the Multi-sectoral Action Teams (MSATs) played were most effective. A total of 22 projects received funding through the Global funds.

The following projects benefitted from Global Funding:

- 4 Safe havens for terminally ill patients (2 for adults and 2 for children);
- 7 Youth Projects;
- 7 Projects focusing on vulnerable children;
- 1 Life skills project focusing on parenting;
- 4 Nutrition Projects

The Overberg District Municipality has an important role to play, in conjunction with the B-municipalities to enrich people's lives, to eradicate poverty, to provide opportunities and to educate communities on social matters.



Chapter 5

Functional Performance



CHAPTER 5: FUNCTIONAL PERFORMANCE

The functional performance of the municipality provides comprehensive information on the implementation of the SDBIP and relevant functional area reporting schedules.

The functional breakdown per Directorate is as follows:

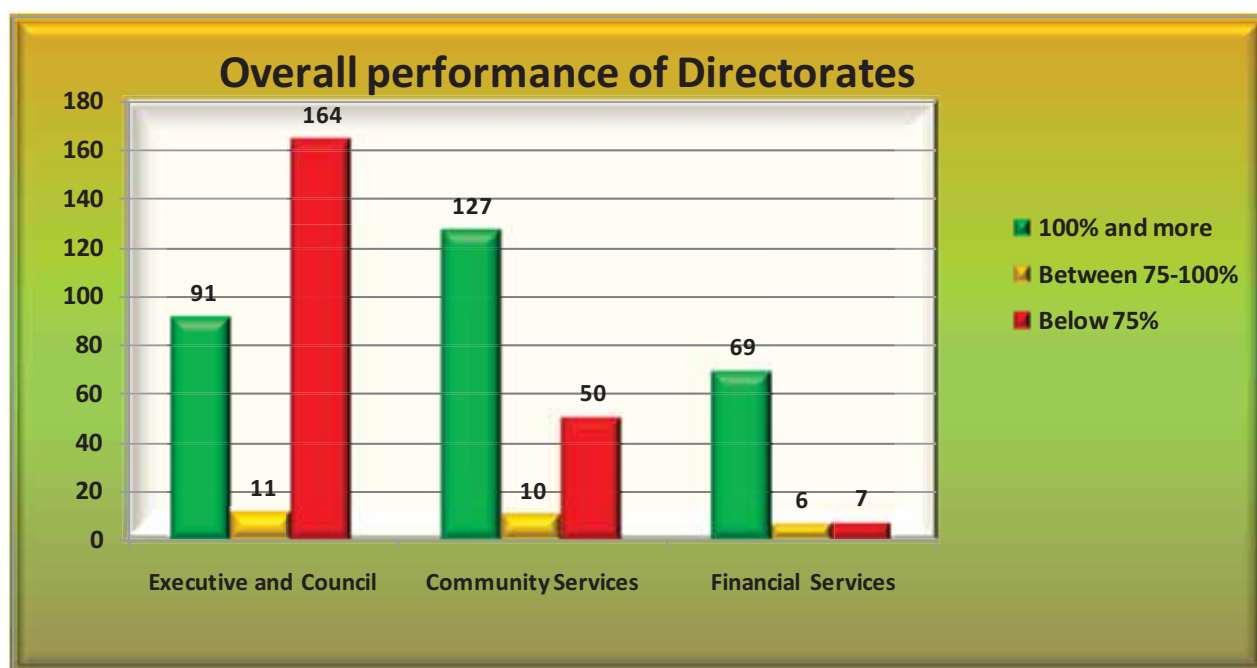
Directorate	Functions
Executive and Council	• Council • Municipal Manager • Administration • Corporate and Programme Services • Human Resources • Internal Audit • Property Management • Auditing and Financial Modelling
Community Services	• Director: Community Services • Environmental Management • Fire and Disaster Management • Municipal Health • Resorts • Roads
Financial Services	• Director: Financial Services • Accounting Services • Income and Expenditure and IT • SCM

Table 61: Functional breakdown

5.1 OVERVIEW OF PERFORMANCE

The performance of the different directorates is reflected in the graph below. These performances include the alignment of Key Performance Indicators with the IDP objectives, National KPAs, Municipal KPAs and the performances of the relevant divisions.

The following graph indicates the performance of the various directorates



Graph 4: Overall performance of directorates

5.2 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

Directorate/ Functional area	Highlights
Office of the Municipal Manager	- Local Economic Strategy approved - Compiled various policies
Support Services	- Unqualified report - Various MOU's undersigning - Improvement in Archives - Compiled internal Audit Plan
Community Services	- Roads: all planned and identified projects were completed on time and within the budget - Successful Soccer World cup - High quality of water and dairy products in the district - Clean Audit Karwyderskraal - Drug awareness campaign

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Directorate/ Functional area	Highlights
	• Safer beaches project

Table 62: Performance highlights per functional area

5.3 PERFORMANCE PER FUNCTIONAL AREA

A) OFFICE OF THE MUNICIPAL MANAGER

Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Council								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Audit committee	Re-appoint Audit Committee	100%	10-Jan	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Strategic and sustainable budgeting	2009/2010 Revised budget approved before the legislative deadline	1	10-Jan	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Effective expenditure and revenue management	Monitoring of revenue and expenditure and decisions on remedial steps if necessary	12	Monthly	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Strategic and sustainable budgeting	2010/11 Budget approved before the legislative deadline	1	10-May	1	0
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	SDBIP approval and reviews	SDBIP approved within 28 days after budget	1	10-Jun	1	1
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	SDBIP evaluation	SDBIP evaluation	4	Quarterly	4	4
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Section 57 performance reviews	Quarterly performance reviews Section 57 appointees	4	Quarterly	4	0
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Section 57 appointment	Section 57 performance contract approved	100%	09-Jul	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Performance Framework adherence	Performance Committee appointed and trained	1	09-Dec	1	1
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Reporting of the 2009/2010 performance	Annual Report approved	1	10-Mar	1	0
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Councillor Training plan	Nr. councillors trained per year	10	# Councillors trained	100	20%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Budget process plan	IDP process deadlines	100	09-Aug	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Budget process plan	Budget process deadlines	100	09-Aug	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Strategic planning session and approval of annual municipal strategy	Review of IDP	1	10-Feb	1	0
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Strategic planning session and approval of annual municipal strategy	Strategy session attended to determine municipal strategies	1	10-Mar	1	3
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Community meetings	Community meetings successfully held	2	Bi-annually	2	3
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Executive Mayoral Committee Meetings	EMC meetings held	10	Monthly	10	3
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Special Council Meetings	Attendance of meetings at least 80%	80%	Ad hoc	80%	80%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Council meeting	Council meetings held	4	Quarterly	4	6
Administration								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Sundry Equipment	% of project completed	100%	% completed	100%	40%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Capital Project: Archives	% of project completed	100%	% completed	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Computer Equipment	% of project completed	100%	% completed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Records Management	100% of legislation updated on a regular basis	100%	Ongoing	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Records Management	100% of delegations registered	100%	Ongoing	100%	100%
Municipal Transformation	Municipal Transformation	Coordinated and effective	Records Management	100% of Council policy registered	100%	Ongoing	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
and Institutional Development	and Institutional Development	administration						
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Records Management	100% of deeds and contracts registered and properly managed	100%	Ongoing	100%	25%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Records Management	< 5 complaints per month with regard to unregistered post, the allocation of wrong file numbers or post not correctly distributed	5	Less than 5 complaints pm	60	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Archives	< 1% of documents irretraceable p a	100%	Less than 1% pa	100%	65%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Archives	Prescribed and regularly updated Register of Opened Files, Register of Authorities and Register of Disposed Archives	100%	Ongoing	100%	75%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Archives	List of Other Archives approved and disposal authority obtained	100%	Obtained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Archives	Disposal authority on filing system obtained	100%	Obtained	100%	75%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Messenger services	0 complaints with regard to the correct and swift delivery of messenger services	0%	0% pm	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Cleansing Services	0 complaints with regard to cleanliness of offices	0%	0% pm	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Telephone costs	75% of private calls are recorded and the cost deducted from the salaries of staff	75%	per month	75%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Reception	2 complaints pm with regarding of poor telephone and/or reception services	Less than 2 pm	# per month	24	6
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Secretarial function: Correctness of Minutes	% of all minutes approved as correct	100%	% of minutes approved as correct	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Secretarial function: Minutes	% of all Minutes completed within 5 working days after meeting	100%	Targeted % of minutes completed within 5 days	100%	75%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Secretarial Function: Agendas	Months during which all agendas distributed 5 working days prior to all council meetings	10	Months during which agendas send out correctly	12	4

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	advertising of meeting dates	Advertising of meeting dates	100%	advertise meeting dates	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	3
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	75%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional	Municipal Transformation and Institutional	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development							
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	50%
Property Management								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Security System	% of project completed	100%	% completed	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Office Buildings	% of project completed	100%	% completed	100%	60%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	45%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Integrated Transport Plan (ITP)	Overberg ITP approved by Council	100%	1 ITP approved	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Integrated Transport Plan (ITP)	Draft ITP submit to portfolio committee	100%	% draft ITP	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Integrated Transport Plan (ITP)	Task team meetings for ITP	3	# of meetings	3	3
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Town Planning	Identify development of opportunities of resorts	100%	% progress on identification of possibilities	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Town Planning	Identify of development possibilities in the district simultaneously	70%	% progress on identification of possibilities	70%	10%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Town Planning	Compilation of Overberg Spatial map	70%	%Progress on Spatial map	70%	10%
Basic Service Delivery	Basic Service Delivery	Human well-being	Review of Spatial Plans (A)	Annual review of SDF - SDF Phases: Inception (10%), Status Quo Report (30%), Draft Report (30%), Final SDF (30%)	30%	No. of doc's approved per year	30%	10%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Town Planning	Completion of SDF 50%	50%	Completion of SDF	50%	0%
Municipal Transformation	Municipal Transformation	Human well-being	Town Planning	Appointment of Town Planner through DBSA	100%	Person appointed	100%	0%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
and Institutional Development	and Institutional Development							
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	GIS	Arrange logict connection and training for logict GIS interest Group	100%	Training completed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	GIS	Establish GIS task group and quarterly meeting in Districts	4	Quarterly meetings	4	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	GIS	ODIFF meeting: importance as management tool	1	Annually meeting	1	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Contract Management	Contract audit	2	bi-annually	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Contract Management	Circular to all staff re compilation and management of contracts	100%	Circular to staff	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Contract Management	Follow-up of breaches of contracts	12	Monthly compliance of contractors	8	3
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Optimal utilization of ODM Properties	Workshop and approve policy on management immovable assets	100%	Workshop and policy approval	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Optimal utilization of ODM Properties	Submission to council and recommendation on alienation or development of properties	100%	Submission of recommendation to Council	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Optimal utilization of ODM Properties	Inspection of all properties - evaluated potential for development	100%	Inspections for development	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Optimal utilization of ODM Properties	Lease Agreement of Dennehof and Uilenkraalsmond	100%	Rental agreements signed	100%	25%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Optimal utilization of ODM Properties	Land Audit of all properties owned by ODM	100%	1 Audit of properties by August 2009	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal	Municipal	Coordinated and	Sound , authorised expenditure	Months without unauthorised	12	months during	12	6

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Transformation and Institutional Development	Transformation and Institutional Development	effective administration		spending by accounting officer as indicated in MFMA 32(1)(b)		which no unauthorised spending took place		
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Review in accordance with PMS Framework and reports to MM	2	2 reviews	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	20%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	50%
Municipal Manager								
Good Governance and Public Participation	Good Governance and Public Participation	Legal support	Legal support for municipality	Provide legal advice to the municipality on an ongoing basis	100%	% of target achieved	100%	25%
Good Governance and	Good Governance and	Legal support	Legal support for municipality	Arrange effective external legal support for municipality	100%	% of target achieved	100%	25%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Public Participation	Public Participation			when needed				
Good Governance and Public Participation	Good Governance and Public Participation	IGR	DIF & DIFTECH meetings	Quarterly DIF and DEFTECH meetings	4 meetings per year per structure	# meetings	8	4
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Special information documents	Compilation, publishing and co-ordinating of all special information documents to municipal customers	100%	Ongoing	100%	55%
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Public notices	Compilation, publishing and co-ordinating of all notices to the public	100%	Ongoing	100%	70%
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Press meetings	Arranging of all press meetings and radio programme inputs on request	100%	Ongoing	100%	58%
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Media releases	Co-ordination and submitting of all media releases on request	100%	Ongoing	100%	48%
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Updated webpage	Review and provide updated information for municipal webpage	100%	Ongoing	100%	75%
Good Governance and Public Participation	Good Governance and Public Participation	Communication	Distribution of municipal newsletters	distributed quarterly	4	Quarterly	4	0
Good Governance and Public Participation	Good Governance and Public Participation	Coordinated and effective administration	Communication Strategy implemented	Review and update communication strategy	100%	% implemented	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Inter-governmental cooperation (A)	Submission of District business plans to Nat / Prov Departments annually	100%	IDP-Doc's submitted	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Integrated Development Planning	% of IDP-related requests attended to and completed	75%	% of requests	75%	38%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Submission of IDP-review to Prov / Nat Dept's (A)	No of IDP review doc's submitted to Dept. after approval	30	Doc's submitted	30	30
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Internal IDP-consultation	Quarterly IDP-feedback meetings	4	Target no of meetings with DM Managers	4	5
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Alignment of budget with IDP process (A)	% of budgeted projects in annual IDP-review	100%	% IDP Projects in budget	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Approved Review of IDP (A)	Annual review document by end of June	1	Approved IDP Review	1	0
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Annual Review / compilation of Process Plan (A)	Process framework / plan finalised annually by 31 Aug	1	Approved Process plan	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Satisfactory Performance Management (A)	Positive AG-Report	1	Satisfactory AG rating	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Performance Evaluation	Performance Evaluation as required by MFMA (72)	1	Report	1	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Appointments made	% of appointments made within 3 months after advertisement has appeared	80%	% of appointments made within 3 months	80%	57%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Affirmative Action (ito Employment Equity)	% of AA appointments according to EE targets	75%	% of available appointments affirmative	75%	75%
Good Governance and Public Participation	Good Governance and Public Participation	Coordinated and effective administration	Bi-Weekly Meetings	Meetings with staff	2 per month	No of weekly meetings per month	21	9
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	Months with sound expenditure	12	9
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Annual Strategic Scoping	Strategic Scoping report to inform planning	1	Strategic Scoping Report by 30 September	1	1
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Performance Management	Submission of Performance Audit Reports to AG	1	Amount of reports to be submitted for year	1	1
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Service Delivery Plan	Preparation of Service Delivery Plan	1	No of Reports / Year	1	1
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	General Reporting	Submission of Annual Report in response to AG	100%	% amount of reports to be submitted for year	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Annual report	Annual Report compiled as required by MFMA (121)	100%	% Preparation of Annual Report submit to by January	100%	100%
Good Governance and Public	Good Governance and Public	Co-operation	Performance Assessments	Performance assessments undertaken	2	2 assessments	2	0

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Participation	Participation							
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	Implementation of Council resolutions	% of council decisions implemented by due date	100%	% items implemented	100%	60%
Corporate and Programme Services								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Computer Equipment	% of project completed	100%	% completed	100%	42%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Growth & Development	Growth and Development strategy	Revision of GDS	70%	GDS completed	70%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	45%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Shelter protection	Regional coordination of helpdesks	100%	% Ongoing support	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Shelter protection	Develop Support framework	100%	% of target achieved	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Early Childhood development	Regional coordination of helpdesks	100%	% Ongoing support	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Early Childhood development	Develop Support framework	100%	% of target achieved	100%	75%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Parental Training and Alcohol Consumption	Training conducted	100%	% Ongoing support	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Parental Training and Alcohol Consumption	Ensure compliance with SCM and Grant policies	100%	% of target achieved	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Parental Training and Alcohol Consumption	Develop Support framework	100%	% of target achieved	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	ID campaign	Awareness raising	100%	% Ongoing support	100%	25%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Youth development programmes	Regional coordination of Youth Forums & Activities	100%	% Ongoing support	100%	22%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development							
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Youth development programmes	Capacitating Youth Forums	100%	% of target achieved	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Development	Youth development programmes	Setting up of Youth Forums	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Nutrition Projects	Regional coordination and stakeholder support	100%	% Ongoing support	100%	45%
Local Economic Development	Local Economic Development	Human Development	Nutrition Projects	Ensure compliance with SCM and Grant policies	100%	% Ongoing support	100%	45%
Local Economic Development	Local Economic Development	Human Development	Nutrition Projects	Develop Support framework	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Early Childhood development	Regional coordination and stakeholder support	100%	% Ongoing support	100%	45%
Local Economic Development	Local Economic Development	Human Development	Early Childhood development	Ensure compliance with SCM and Grant policies	100%	% Ongoing support	100%	45%
Local Economic Development	Local Economic Development	Human Development	Early Childhood development	Develop Support framework	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Crime Prevention Projects	Regional coordination of helpdesks	100%	% Ongoing support	100%	27%
Local Economic Development	Local Economic Development	Human Development	Crime Prevention Projects	Ensure compliance with SCM and Grant policies	100%	% Ongoing support	100%	27%
Local Economic Development	Local Economic Development	Human Development	Crime Prevention Projects	Develop Support framework	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Farm Worker Projects	Regional coordination of helpdesks	100%	% Ongoing support	100%	7%
Local Economic Development	Local Economic Development	Human Development	Farm Worker Projects	Ensure compliance with SCM and Grant policies	100%	% Ongoing support	100%	7%
Local Economic Development	Local Economic Development	Human Development	Farm Worker Projects	Develop Concept framework	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Fishing Projects	Regional coordination of helpdesks	100%	% Ongoing support	100%	7%
Local Economic Development	Local Economic Development	Human Development	Fishing Projects	Ensure compliance with SCM and Grant policies	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Fishing Projects	Develop Concept framework	100%	% of target achieved	100%	60%
Local Economic Development	Local Economic Development	Human Development	Rehabilitation Centre	Ensure compliance to SCM processes	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Rehabilitation Centre	Ensure compliance to registration requirements for Rehab Centre	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Rehabilitation Centre	Ensure sufficient funding	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Human Development	Rehabilitation Centre	Obtain and rezone land for Rehabilitation Centre	100%	% Ongoing support	100%	0%
Local Economic	Local Economic	Human	Rehabilitation Centre	Develop concept framework	100%	Concept	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development	Development				framework		
Local Economic Development	Local Economic Development	Local Economic Development	EPWP	Quantify number of jobs created	100%	%ongoing support	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	EPWP	Ensure refunding through DORA	100%	% Ongoing support	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	EPWP	Submit quarterly financial reports	4	Quarterly reports	4	0
Local Economic Development	Local Economic Development	Local Economic Development	EPWP	Registration of project lists	100%	Registered projects	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Evaluation of project impact	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Evaluation of project impact	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Project implementation and monitoring	100%	% of target achieved	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Select projects and approve	100%	Selected and approved projects	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Develop procurement plan	100%	Developed plan	100%	0%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Develop criteria and focus of the Fund	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Monitoring and project support	100%	% Ongoing support	100%	50%
Local Economic Development	Local Economic Development	Local Economic Development	Special Projects	Develop implementation plan	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Local Economic Development	Soccer 2010	Establish PVA's and base camps	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Local Economic Development	Soccer 2010	Mobilize Overberg Communities participation in 2010	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Local Economic Development	Soccer 2010	Marketing support	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Local Economic Development	Soccer 2010	Coordination of region for 2010 readiness	100%	% Ongoing support	100%	100%
Local Economic Development	Local Economic Development	Tourism Promotion	Entrepreneurial support	Support to local tourism entrepreneurial organisations	100%	% Ongoing support	100%	25%
Local Economic Development	Local Economic Development	Tourism Promotion	Entrepreneurial support	Support to B- municipalities & local tourism stakeholders	8	# meetings convened	8	2
Local Economic Development	Local Economic Development	Airport Project	PPP Agreement	Approve a Municipal Entity / PPP arrangement	100%	PPP Agreement	100%	0%
Local Economic Development	Local Economic Development	Airport Project	Procurement process	Approve a Municipal Entity / PPP arrangement	100%	PPP Agreement	100%	0%
Local Economic Development	Local Economic Development	Airport Project	Business Proposal Development	Developing proposal and finalise agreements	100%	Proposal	100%	0%
Local Economic Development	Local Economic Development	Resort Upgrading	Buffelsjachtbaai upgrading	PPP Arrangements procured and approved	100%	PPP Agreement	100%	0%
Local Economic Development	Local Economic Development	Resort Upgrading	Buffelsjachtbaai upgrading	Procurement process	100%	Plan and Budget	100%	0%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
						approved		
Local Economic Development	Local Economic Development	Resort Upgrading	Buffelsjachtbaai upgrading	Complete the Dune Stabilisation research	100%	Development Proposal	100%	100%
Local Economic Development	Local Economic Development	LED Strategy	Research	Additional Community Profiling	100%	Policy	100%	0%
Local Economic Development	Local Economic Development	LED Strategy	Complete LED Strategy	Finalise the Overberg LED Strategy	100%	Policy	100%	100%
Local Economic Development	Local Economic Development	Tourism Promotion	Tourism Indaba	Representation and stand at Tourism Indaba	100%	# attended	100%	0%
Local Economic Development	Local Economic Development	Tourism Promotion	Marketing and development activities	Generic marketing of Overberg Region Local and international	100%	% Promotion Material, advertising completed	100%	60%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	6
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	48%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	2 reviews	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%	% of successful appeals	0	0

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	50%
Human Resources								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	% of referrals to WCA	Administration and follow-up of work related injuries	100%	Planned referral rate	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Inspection	Quarterly Workplace inspections (All) by HR	100%	Quarterly	100%	45%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	% Health & Safety meetings WCA	Quarterly Health and Safety meetings	4	Quarterly	4	3
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	HR management	Maintenance of all HR records	100%	Continuous	100%	75%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	HR management	Maintenance of an approved organogram	100%	Continuous	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Meetings	Monthly LLF meeting	10	Monthly LLF	10	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Induction of new employees	%: Newly employed inducted	80%	quarterly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Average speed of recruitment from advert to offer letter	Number of days between offer letter sent to accepted candidates and from dates of adverts first appeared in appropriate documents	80%	% within 90 days	80%	77%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
				(Excluding section 57 appointments)				
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Meetings	Training Committee meeting	10	Monthly meetings	10	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Submission of Monthly Training report to LGSETA	12 reports p.a.	12 reports	monthly	12	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Annual training report (WSP)	Submitted to LGSETA by July 2009	1	Annually	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Skills Development Plan reviewed (A)	Skills Development Plan submitted to LGSETA by June	1	Plans submitted	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Percentage of skills development levy claimed back from skills development fund	Total rand value of levy claimed back as a percentage of total levy paid to Skills Development Fund	50%	R-value as a %	50%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Disciplinary actions to be completed within 40 days	% Disciplinary actions completed within 40 days (from issuing of charge sheets to sanction) for all cases handled internally	90%	% within required timeframe	90%	83%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Submission of employment equity plan	Annual submission of plan	1	30-Jun	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Co-operation	declaration of financial interest by councillors	Declaration of financial interest by councillors	100%	Declaration of interest by councillors	100%	150%
Internal Audit								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	98%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Review in accordance with PMS Framework and reports to MM+	2	reviews	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals identified to be trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Participation in directors meeting	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	09-Nov	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Good Governance and Public Participation	Good Governance and Public Participation	Internal Audit	Support Audit Committee (AC)	Support AC meets at least 4 times per annum (1 per Quarter) i.t.o. Sec 166(4) of the MFMA	4	Quarterly	4	4
Good Governance and Public	Good Governance and Public	Internal Audit	Audit of Performance Measurements - (Auditing of Performance Information)	Audit the results of performance measurements regarding the Municipality's Performance Management	100%	Quarterly	100%	10%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Participation	Participation			System i.t.o. Sec 45 of the Municipal Systems Act, 2000.				
Good Governance and Public Participation	Good Governance and Public Participation	Internal Audit	Report on status of executing the Risk-Based Audit Plan	Report monthly to the Accounting Officer (MM) and Quarterly to the Audit Committee (AC) on the status and progress of audits executed as per the approved Risk-Based Audit Plan.	100	Monthly & Quarterly reporting	100%	67%
Good Governance and Public Participation	Good Governance and Public Participation	Internal Audit	Execution of Approved Risk-Based Audit Plan	Execution of audits listed in the approved Risk-Based Audit Plan. (imp according plan)	3	Monthly	36	18
Good Governance and Public Participation	Good Governance and Public Participation	Internal Audit	Prepare and submit a Risk-Based Audit Plan for each financial year.	Prepare a Risk-Based Audit Plan for each financial year and submit it to the AC approval according to Sec 165(1) of MFMA.	100%	Once-off with review where applicable.	100%	0%
Director: Auditing and Financial Modelling								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Effective and efficient capital project management	Sundry Equipment	% of project completed	100%	% completed	100%	20%
Good Governance and Public Participation	Good Governance and Public Participation	Training	Compilation of a skills development / training programme for financial and non-financial officials	Reporting to MM and Training Committee	4	reports submitted	4	0
Good Governance and Public Participation	Good Governance and Public Participation	Training	Compilation of a skills development / training programme for financial and non-financial officials	Facilitate and/or co-ordinate available training courses.- after identification (available courses according to available courses and budget)	30%	Training courses facilitated and/or co-ordinated	30%	10%
Good Governance and Public Participation	Good Governance and Public Participation	Training	Compilation of a skills development / training programme for financial and non-financial officials	Compilation of training programme together with list of available courses - analyse for B's and internally	1	Training program compiled	1	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	6
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	24%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	4	quarterly reviews	4	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	20%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Participation in directors meeting	80%	Monthly	80%	20%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%	% of successful appeals	0	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	09-Nov	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Shared Services								
Good Governance and Public Participation	Good Governance and Public Participation	Financial Modelling	Service available to all participating municipalities	Undertake financial viability studies to determine financial health of municipalities, municipal entities and projects	2	Study undertaken	2	0
Good Governance and Public Participation	Good Governance and Public Participation	Rendering of Shared Services	Develop and/or review all standard documentation such as CIAC, RBAP, etc.	Execution of Audit Plans involve according to needs , etc	75%	Audit plans executed	75%	0%
Good	Good	Rendering of	Develop and/or review all	Compilation of Risk Base	1	Draft process	1	0

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Governance and Public Participation	Governance and Public Participation	Shared Services	standard documentation such as CIAC, RBAP, etc.	Audit Plans of Participating Municipalities		plan submitted		
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Entering of Service Level Agreements between the Host and Participating Municipalities	Finalisation of SLA and signing thereof.	100%	Agreed SLA	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Entering of Service Level Agreements between the Host and Participating Municipalities	Agreed tariffs and fees.	100%	Agreed tariffs and fees	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Entering of Service Level Agreements between the Host and Participating Municipalities	Completion of draft Service level agreements in consultation with the various municipalities	100%	Draft SLA completed	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Entering of Service Level Agreements between the Host and Participating Municipalities	Clarification of services required by the relevant municipality	100%	Services clarified	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Finalise Charter and signing thereof by participants	100%	Charter approved	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Organise a workshop to discuss the contents of the draft together with inputs received from participants	100%	Workshop arranged	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Send draft Charter to all stakeholders	100%	Draft Charter submitted for inputs	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Complete a draft Charter for consideration and inputs from stakeholders	100%	Draft Charter completed	100%	0%
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Do further presentations at municipalities to explain model	2	Presentations at municipalities	2	2
Good Governance and Public Participation	Good Governance and Public Participation	Implementation of a Shared Services Model for Overberg	Approval and submission of a SSCFA (signed by all participating stakeholders)	Undertake need surveys at various municipalities	2	Survey undertaken at 2 municipalities	2	2

Table 63: KPI Performance: Office of the Municipal Manager

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B) FINANCIAL SERVICES

Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Director: Financial Services								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	94%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	2	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	82%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0	0

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Income and Expenditure and IT								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	95%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Review in accordance with PMS Framework and reports to MM	2	reviews	4	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals identified to be trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development							
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	End July 09	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	System integration	Explore possibility of integration between IT, Finance, HR , GIS and Water	50%	No of reports submitted	15%	15%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	General Repairs	% of repairs completed within a week	80%	Targeted % repair rate for year	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	% of computers compliant with IT-Policy spec level	% of computers compliant with IT-Policy spec level	80%	Targeted % of computers meeting min. specifications	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Compile and update minimum spec-database	Minimum Specification database of all computers based on IT policy spec's	1	Database compiled and (year 2) reviewed)	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	IT-Support (M,Q)	% of requests in	80%	% per month	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Authentic Software (M,Q)	% of purchased software licensed	98%	Annual Average Monthly Percentage	98%	98%
Municipal Transformation and	Municipal Transformation and	Human Resource Development	Functional Computer Network	Days / month during which network	18	Days per month	19.58	19.58

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Institutional Development	Institutional Development		(M,Q)	available (month = 20 days)				
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	(Total Operational Income Received - Operational Donation) / (Service debt payable in current fin.Yr)	(Total Operational Income Received - Operational Donation) / (Service debt payable in current financial year)	5%	Planned Rate (ideal = 0%)	5%	3%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	% of purchases reflected in asset register (measured monthly)	% of purchases reflected in asset register (measured monthly)	100%	% / Month	100%	25%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Transfers of Salary related deductions prior to the last working day of every month	Transfers of Salary related deductions prior to the last working day of every month	100%	%/Month	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months that salaries were paid on 27th, or last workday prior to 27th	Months that salaries were paid on 27th, or last workday prior to 27th	12	Months	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	% of creditors paid within 30 day period	% of creditors paid within 30 day period	100%	% / Month	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	(Total Available Cash at any Given time+ Investments) / (Fixed Operational Cost y-t-d)	(Total Available Cash at any Given time+ Investments) / (Fixed Operational Cost y-t-d)	100%	Planned Rate (not less than 100%)	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Total Outstanding Service Debts / Real Annual Income	Total Outstanding Service Debts / Real Annual Income	5%	Planned Rate (Ideal = less than 5%)	5%	5%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months that bank recons are complete as required by legislation prior the 10th monthly working day.	Months that bank reconciliations are complete as required by legislation prior to the 10th of every month	12	Months	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	% Debtors handed over after 90 days and reminder	% Debtors handed over after 90 days & reminder	100%	% / Month	100%	83%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Actual service terminations expressed as % of proposed service terminations	Actual service terminations expressed as % of proposed service terminations	100%	% / Month	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months without 5+ legit written complaints (unresolved within month) regarding incorrect accounts	Months without 5+ legit written complaints (unresolved within month) regarding incorrect accounts	12	Months	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	% of registered clients billed / month	% of registered clients billed / month	100%	% / Month	100%	100%
Municipal Financial	Municipal Financial	Economy	Billing of clients	Billing of clients	12	Months	12	12

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Viability and Management	Viability and Management		completed prior to last working day per month	completed prior to last working day per month				
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months during which 100% of all monies were banked daily	Months during which 100% of all monies were banked daily	12	Months	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months during which receipts were issued for all monies daily	Months during which receipts were issued for all monies daily	12	Months	12	12
Accounting Services								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Budget Submitted to National Treasury	Budget Submitted to National Treasury	1	Final budget	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Budget finalised 31 May annually	Budget finalised 31 May annually	1	Final budget	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Concept budget tabled by 31 March annually	Concept budget tabled by 31 March annually	1	Concept Budget	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Financial Statements completed by 31 August annually	Financial Statements completed by 31 August annually	1	Fin. Statements	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Quarterly Reports submitted on pre-determined date	Quarterly Reports submitted on pre-determined date	4	Quarterly report	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Months that treasury reports are submitted as required by legislation prior the 10th of every month	Months that treasury reports are submitted as required by legislation prior to the 10th working day of every month	12	Months	12	12
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Actual amount of claims settled as percentage of claims due for settlement	Actual amount of claims settled as percentage of claims due for settlement	100%	%/ month	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Economy	Depreciation reflected in asset register	Depreciation reflected in asset register	100%	%/ Month	100%	7%
SCM								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Awarding of MFMA compliant procurement contracts	Percentage of tenders awarded that comply with MFMA compliant in MFMA 32(1)(b)	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human Resource Development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Municipal Transformation and	Municipal Transformation and	Human well-being	Staff meetings	Quarterly Staff	4	Total no of quarterly	4	4

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Institutional Development	Institutional Development			meetings		meetings planned for year		
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	88%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Review in accordance with PMS Framework and reports to MM	2	reviews	4	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals identified to be trained	100%	% trained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	End July 09	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100%	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	80%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Def'n	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	92%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	All SCM reporting requirements met	All SCM reporting requirements met	100%	% ongoing	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	Effective Bid Committee System	Effective bid committee system in place	100%	% ongoing	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	Review SCM policy	SCM policy review,	100%	% reviewed	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	Updating SCM procedures to comply with NG	SCM procedures updated,	100%	% Quarterly reviewed	100%	95%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	Database registrations	Ongoing registration of new businesses on the database	100%	% ongoing	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Financial Compliance & good practice	Stock Taking	Half yearly stock taking	100%	% ongoing	100%	100%

Table 64: KPI Performance: Financial Services

C) COMMUNITY SERVICES

Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Director: Community Services								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	23%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	0
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and	Municipal Transformation and	Coordinated and effective administration	Attend to all incoming documents, post, etc	% within 10 working days	95%	% within required	95%	24%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Institutional Development	Institutional Development		within 10 working days			timeframe		
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	4	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	25%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	20%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	25%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	20%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	25%
Fire and Disaster Management								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Bunker Clothes	% of project completed	100%	% completed	100%	0%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Sundry Equipment	% of project completed	100%	% completed	100%	100%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Vehicles - Pickups	% of project completed	100%	% completed	100%	100%
Municipal Financial Viability and	Municipal Financial Viability and	Effective and efficient capital project	Rescue Equipment	% of project	100%	% completed	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Management	Management	management		completed				
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Monthly meetings with Station Officers and Disaster Managers	Average number of Weekly meetings with Station Officers and Disaster Managers	4	Average number of monthly meetings with Station Officers and Disaster Managers	2	2
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Training	Training of 2 Hazmat Technicians	2	2 Fire fighters trained to Hazmat Technician Level	2	4
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Training	Training of Hazmat operators	5	5 Fire fighters trained to Hazmat Operations	5	5
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Fire Prevention Associations	Establish Umbrella FPA for the Overberg	1 UFPA	1 UFPA	1	0
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Turn out times	Time from receiving call until on way to fire	5 min (O/hrs)/10m in a/hrs	Planned turn-out time 5 min	5	5
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Reporting on Fires (M,Q)	Dispatch Reports on all fires generated	100%	% of fires which will be reported on	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Fire fighting: Training (A)	No of internal training sessions/ drills per month	32 pm	Planned no of training sessions/ drills per month	384	237
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Fire fighting services: Operational Preparedness (Q)	Personnel trained in FET Fire and Rescue Operations Hazmat 1 & 2 (learnership)	5	Number of Personnel trained in FET Fire and Rescue Operations Hazmat 1 & 2 (learnership)	5	15
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Fire fighting services: Operational Preparedness (Q)	No of inspections undertaken per month:	4	Planned number of inspections per month	4	3
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Education, training, public awareness and research	Exercises with role players initiated	1	No of exercises per annum	1	3
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Education, training, public awareness and research	Disaster risk awareness promoted at schools and in communities at risk	4	Awareness initiatives per annum	4	13

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Education, training, public awareness and research	Establish good relationships with media representatives	2	No of working relationships est. per quarter	2	2
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Education, training, public awareness and research	Support education, training, development and awareness programs	100%	Ongoing	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Information management and communication	Develop an information management and communication strategy, including communication protocols	1	no of systems developed	1	2
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Risk assessment, risk reduction, response, recovery and reconstruction	Contingency plans for primary hazards drafted and generic plan to cover contingencies	100%	% of contingency plans continually drafted	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Risk assessment, risk reduction, response, recovery and reconstruction	Potential hazards assessed and prioritised	100%	Hazards identified and prioritised	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Communities	Risk assessment, risk reduction, response, recovery and reconstruction	Potential hazards identified in the municipal area	1	Hazards identified in municipal area annually	1	3
Basic Service Delivery	Basic Service Delivery	Economy	Institutional Capacity	DMP's reviewed	5	District response plan and B Muns DMP's reviews annually	5	14
Basic Service Delivery	Basic Service Delivery	Economy	Institutional Capacity	Assist organisations in compiling emergency/evacuation plans	4	No of plans assisted with in the year	4	8
Basic Service Delivery	Basic Service Delivery	Economy	Institutional Capacity	Reports submitted to council, PDMC and NDMC	100%	No of reports submitted as % of required reports	100%	100%
Basic Service Delivery	Basic Service Delivery	Economy	Institutional Capacity	Compile integrated communication and awareness strategy linked to framework	100%	% of strategy communicated and awareness raised	100%	100%
Basic Service Delivery	Basic Service Delivery	Economy	Institutional Capacity	Roles and responsibilities of stakeholders incorporated into DMP's and linked to framework	100%	% of roles and responsibilities incorporated	100%	98%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for	4	4

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
						year		
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	2
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	94%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Review in accordance with PMS Framework and reports to MM	2	reviews	2	2
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100		100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	73%
Municipal Transformation and Institutional	Municipal Transformation and Institutional	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development							
Resorts								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Sundry Equipment Uilenkraalsmond	% of project completed	100%	% completed	100%	20%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Upgrading of Bungalows Uilenkraalsmond	% of project completed	100%	% completed	100%	20%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Upgrading of Ablution Blocks Uilenkraalsmond	% of project completed	100%	% completed	100%	40%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Sewerage Network Uilenkraalsmond	% of project completed	100%	% completed	100%	30%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Upgrading of Facilities die dam	% of project completed	100%	% completed	100%	0%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Upgrade of Sewerage Pump station Dennehof	% of project completed	100%	% completed	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	45%
Basic Service Delivery	Basic Service Delivery	Economy	Community meetings	Meet with camp committee at Die Dam and Uilenkraalsmond	8	1 Meetings per quarter per campsite	8	4
Basic Service Delivery	Basic Service Delivery	Economy	Security	Effective security service	100%	Implement by November 2009	100%	100%
Basic Service Delivery	Basic Service Delivery	Economy	Security	Implementation of better access control	100%	Implement by November 2009	100%	0%
Basic Service Delivery	Basic Service Delivery	Economy	Security	Assessment for better access control to all resorts	100	1 Assessment per annum	1	1
Basic Service Delivery	Basic Service Delivery	Economy	Upgrading and servicing of infrastructure	Basic Maintenance on roads, fences, equipment, playground,	90	% maintenance per quarter	90%	45%
Basic Service Delivery	Basic Service Delivery	Economy	Upgrading and servicing of infrastructure	Basic Maintenance on oxidation dams, water reticulation network, pumps,	90	% maintenance per quarter	90%	45%
Basic Service Delivery	Basic Service Delivery	Economy	Upgrading and servicing of infrastructure	Basic Maintenance on buildings (Bungalow, Ablution blocks, hall, camping sites) according to approved plan and budget	90	% maintenance per quarter	90%	45%
Basic Service Delivery	Basic Service Delivery	Economy	Administration of Resorts (Q)	No of double bookings	4	No of Double bookings	4	2

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
						allowed per month		
Basic Service Delivery	Basic Service Delivery	Economy	Satisfactory resorts (Q)	% complains received processed within three days	90	% of complains processed during quarter	90%	45%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	2	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	6
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	48%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	4	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	30%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	50%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal	Municipal	Coordinated and	Submission of Annual	Departmental Report	1	end of July	1	1

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Transformation and Institutional Development	Transformation and Institutional Development	effective administration	Report information	submitted by due date				
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	40%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	50%
Municipal Health								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Sundry Equipment	% of project completed	100%	% completed	100%	33%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Camera	% of project completed	100%	% completed	100%	0%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Office Equipment	% of project completed	100%	% completed	100%	0%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Computer Equipment	% of project completed	100%	% completed	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Chemical safety	% Response-rate to written environmental-related queries/requests/ complaints	100%	% of queries, complaints, requests responded to during quarter	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Disposal of the dead	Undertake pauper burials	100%	% of occurrence per quarter	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Disposal of the dead	COA's for undertaker premises and monitoring	100%	nr of inspections	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Surveillance and prevention of communicable diseases	Monitoring communicable diseases response within 3 days after reporting	100%	% of occurrence per month	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Health surveillance of premises	Monitoring Premises and render a Building control services from a health point of view and evaluate	100%	% of applications per quarter	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
				development applications (Q)				
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Monitor the safe handling and disposal of medical waste (Q)	% of COA's for medical waste processed within quarter after application was lodged	100%	nr of inspections	100%	100%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Response to environment-related queries (Q)	% Response-rate to written environmental-related queries/requests/complaints	90%	% of queries, complaints, requests responded per quarter	90%	90%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Environmental Education (A)	Actual number of environmental education initiatives undertaken	200	No of planned initiatives for the year	200	200
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Health Care waste site visitation	Health Care waste generator sites & disposal facilities	244	Amount of visits planned per quarter	244	244
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Food Monitoring	Monitoring of food quality in compliance with FC&D Act	184	No of planned samples to be taken quarter	184	184
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Reaction to complaints (M,Q)	% of action taken regarding Food / pollution (water, air, ground) / Tobacco, Pest control Housing Animals, State Premises, Vacant Land complaints	90%	% of complaints addressed per quarter	90%	90%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Water Quality Monitoring: Sewerage (Q)	Monitoring of bacterial levels in final effluent	128	Total monitoring sessions per quarter	128	128
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Water Quality Monitoring: Settlements/Domestic (Q)	Monitoring of bacterial levels in recreation water in district	164	Total monitoring sessions per quarter	164	164
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Water Quality Monitoring: Settlements/Domestic (Q)	Monitoring of bacterial levels in water in towns in district (Potable water)	388	Total monitoring sessions per quarter	388	388
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Sewerage Treatment Sites: Visitations (Q)	Amount of actual visitations to Sewerage Treatment	316	Amount of visits planned per quarter	316	316
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Refuse Sites: Visitations (Q)	Number of actual visitations to refuse sites	288	Amount of visits planned per quarter	288	288
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Dairies: Certifications (M,Q)	% of COA's for dairies processed within quarter after application was lodged	90%	% of applications processed during quarter	90%	90%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Dairies: Visitations (Q)	No of actual visitations to dairies	270	No of planned visits per	272	272

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
		Well-being				Quarter		
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Non food related visitations (Q)	Actual visitations to non-food related sites (incl. hair salons, animal shelters, crèches, night clubs, Schools, etc.)	266	No of planned visits per quarter	268	268
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Food control	% new applications for R918 COA Certification processed during same quarter	90%	% of applications processed during quarter	90%	90%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Food production and handling sites: Visitations (Q)	Number of actual visitations to food production / preparation / refining sites	1200	nr of planned site visits per quarter	1,200	1,200
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Informal Settlement Visitations (Q)	Number of actual visitations to informal settlement as % of total planned	50%	50% of visits planned for I.S. per year	50%	50%
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Farm Visitations (Q)	Number of actual visitations to farms of total planned	552	Planned Farm visits per quarter	552	552
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Compulsory Meetings	Compulsory meeting for Municipal Health synchronising Service Delivery in the Western Cape (For ex. Western Cape Mun Health working Group, Air quality Forum, WC Food Control, ect.)	36	No compulsory meetings Quarter	45	47
Basic Service Delivery	Basic Service Delivery	Safe Environment/Human Well-being	Staff training	Staff training to apply to HPCSA 30 credits per year	90%	% trained	90%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	95%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	4	4
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	83%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Roads								
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Basic Service Delivery	Basic Service Delivery	Infrastructure	Vehicle roadworthiness	% of vehicles roadworthy per month	100%	% vehicles roadworthy / month	100%	100%
Basic Service Delivery	Basic Service Delivery	Infrastructure	10000 kms service rate vans & busses	% of required monthly 10000 kms services (vans & busses) completed	100%	% Services	100%	100%
Basic Service Delivery	Basic Service Delivery	Infrastructure	250 hour service rate construction vehicles	% of required monthly 250 hour services (construction vehicles) completed	100%	% services	100%	100%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Basic Service Delivery	Basic Service Delivery	Infrastructure	Fleet availability	% availability of fleet as calculated by PAWC	78%	% availability	78%	78%
Basic Service Delivery	Basic Service Delivery	Infrastructure	Gravel roads, graded	Kilometres of gravel road graded	5500	kms completed per month	6,000	10,367
Basic Service Delivery	Basic Service Delivery	Infrastructure	Annual total road network evaluation	Ongoing evaluation of road network	100%	% Evaluation completed per month	100%	100%
Basic Service Delivery	Basic Service Delivery	Infrastructure	Tarred roads, patching	% of pothole repaired on tarred roads	100%	% repaired pothole to pothole occurred / month	100%	100%
Basic Service Delivery	Basic Service Delivery	Infrastructure	Road network structures	% of structures repaired and installed	100%	% repaired and installed / month	100%	100%
Basic Service Delivery	Basic Service Delivery	Infrastructure	Gravel roads, reg gravel	Kilometres of gravel road regreaved	60	kms completed per month	60	52.42
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working days	% within 10 working days	95%	% within required timeframe	95%	95%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	4	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals trained	100%	% trained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	83%
Municipal Transformation and Institutional	Municipal Transformation and Institutional	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per	80%	Monthly	80%	67%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development			month				
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Participation in directors meeting	80%	Monthly	80%	47%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Local Economic Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%
Environmental Management								
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Office Equipment karwyderskraal	% of project completed	100%	% completed	100%	0%
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Effective and efficient capital project management	Computer Equipment karwyderskraal	% of project completed	100%	% completed	100%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human resource development	Managing Grievances	% of grievance addressed within due time	90%	Targeted % of grievances addressed within set timeframes / month	90%	90%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Environmental evaluation of applications (Databank)	% evaluation of development applications	90%	% of requests responded to during month	90%	90%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Databank (environmental)	% Maintenance and supply of Environmental GIS information	90%	% of requests responded to during month	90%	90%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Establish Partnerships	Attendance and participation of the Agulhas Biodiversity Initiative	4	Quarterly meetings	4	3

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Basic Service Delivery	Basic Service Delivery	Environmental Management	Establish Partnerships	Attendance and participation of the Agulhas Park Forum	4	Quarterly meetings	4	4
Basic Service Delivery	Basic Service Delivery	Environmental Management	Establish Partnerships	Attendance and participation Overberg Integrated Conservation Group (OICG) meeting (Q)	4	Quarterly meetings	4	2
Basic Service Delivery	Basic Service Delivery	Environmental Management	Establish Partnerships	Attendance and participation PCC meeting (Q)	4	Quarterly meetings	4	4
Basic Service Delivery	Basic Service Delivery	Environmental Management	Provision of composting plant	Monthly inspections	12	Monthly inspections	12	12
Basic Service Delivery	Basic Service Delivery	Environmental Management	Provision of composting plant	Manage the contract to comply with permit requirements	90%	% compliance	90%	90%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Monitoring of site-water	Monitoring of ground and surface water	2	Bi-annually	1	1
Basic Service Delivery	Basic Service Delivery	Environmental Management	Management of Regional Landfill site	Yearly auditing of landfill site	1	Annually	1	1
Basic Service Delivery	Basic Service Delivery	Environmental Management	Management of Regional Landfill site	monthly Inspections	12	Monthly inspections	12	1
Basic Service Delivery	Basic Service Delivery	Environmental Management	Maintenance of side to comply with permit conditions	Monitoring maintenance of the landfill site to comply with auditing requirements	90%	% compliance	90%	90%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Liaison with landfill monitoring Committee	Participation in Management Committee meetings	2	Bi-annually meetings	2	2
Basic Service Delivery	Basic Service Delivery	Environmental Management	Eradication of alien vegetation Karwyderskraal	Annual budget spend on the eradication of alien/invasive plants	90%	% of budget spend	90%	100%
Basic Service Delivery	Basic Service Delivery	Environmental Management	Management of Regional Landfill site	Monthly Inspection	12	Monthly meetings	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Human well-being	Staff meetings	Quarterly Staff meetings	4	Total no of quarterly meetings planned for year	4	4
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Budget inputs	Budget request provided to financial department by due date (budget programme)	2	Budget requests by date	1	1
Municipal Financial Viability and Management	Municipal Financial Viability and Management	Coordinated and effective administration	Sound , authorised expenditure	Months without unauthorised spending by accounting officer as indicated in MFMA 32(1)(b)	12	months during which no unauthorised spending took place	12	12
Municipal Transformation and Institutional	Municipal Transformation and Institutional	Coordinated and effective administration	Attend to all incoming documents, post, etc within 10 working	% within 10 working days	95%	% within required timeframe	95%	95%

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Nat. KPA	Mun. KPA	Org / Prog	KPI Name	Definition	Baseline	Target Unit	Period-To-Date	
							Target	Actual
Development	Development		days					
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper implementation of the Performance Management System including review	Quarterly Review in accordance with PMS Framework and reports to MM	2	reviews	4	0
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Skills Development	# of targeted individuals identify to be trained	100%	% trained	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Council resolutions	Items implemented within required timeframe	100%	% delivered within required timeframe	100%	83%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Liaison with Leadership	Meetings with management team per month	80%	Monthly	80%	73%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Assignments from municipal manager	Assignment implemented within required timeframes	100%	% of assignments addressed	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Ensure proper procurement practices	No of non-compliance with procurement practices	0%	% of non-compliance	0%	0%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Submission of Annual Report information	Departmental Report submitted by due date	1	end of July	1	1
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Management of external audit queries	No of audit queries completed within 30 days	100	% of target achieved	100%	100%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%	% queries rectified	80%	80%
Municipal Transformation and Institutional Development	Municipal Transformation and Institutional Development	Coordinated and effective administration	SDBIP reporting to council	Timeous reporting to MM before due dates	100%	Monthly	100%	100%

Table 65: KPI Performance: Community Services

Chapter 6

Financial Performance



CHAPTER 6: FINANCIAL PERFORMANCE

6.1 FINANCIAL SUSTAINABILITY

A) MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT - NATIONAL KPIS

KPA & INDICATOR	2008/09	2009/10
Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	31.54	34.27
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	0.010	0.012
Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	1.143	0.960

Table 66: National KPI's for financial viability and management

6.1.1 OPERATING RESULTS

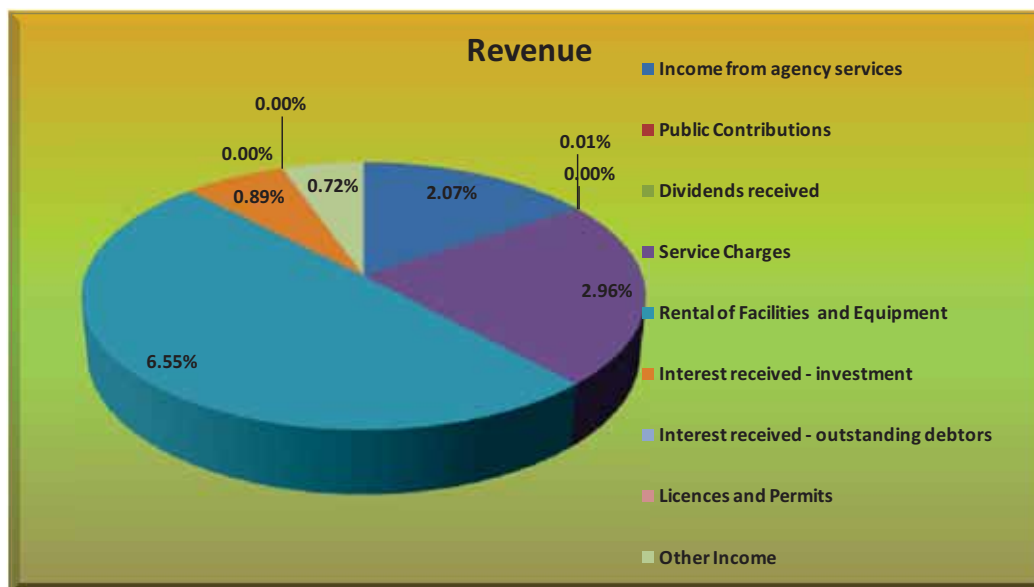
The table below shows a summary of performance against budgets:

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2007/08	94 464	90 163	(4 301)	(4.7)	94 092	89 216	4 876	(5.4)
2008/09	97 042	91 905	(5 137)	(5.3)	96 959	93 110	3 849	(4)
2009/10	103 398	89 910	13 488	(13)	103 273	101 080	2 193	(2.1)

Table 67: Performance against budgets

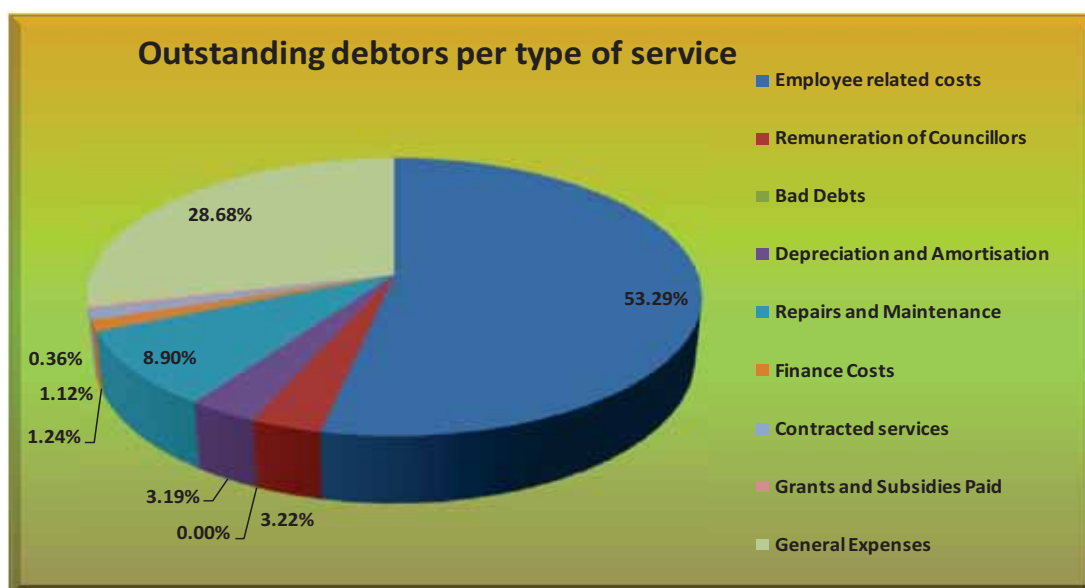
The municipality received **R89 909 683** revenue for the year of which **R 101 080 214** was utilized for operating expenditure. Salaries and councillor allowances were **56.5%** of the operating expenditure for the year under review.

The following graph indicates the various types of revenue items in the municipal budget for 2009/10



Graph 5: Revenue

The following graph indicates the various types of expenditure items in the municipal budget for 2009/10



Graph 6: Operating expenditure

6.1.2 OUTSTANDING DEBTORS PER SERVICES

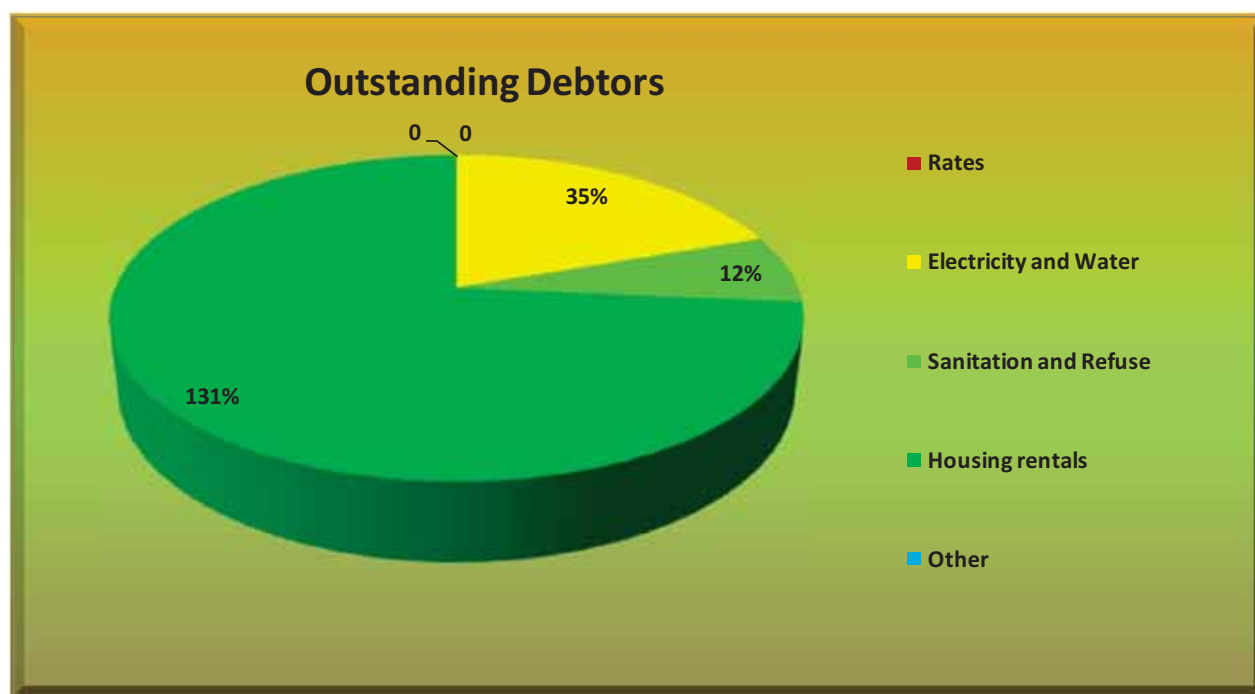
A) GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000	R'000	R'000	R'000	R'000	R'000
2008/09	-	14	7	70	-	91
2009/10	-	19	8	162	-	189
Difference	-	5	1	92	-	-
% growth year on year		35%	12%	131%	-	107%

Table 68: Gross outstanding debtors per service

Note: Figures exclude provision for bad debt

The following graph indicates the total outstanding debt per type of service for 2009/10



Graph 7: Debt per type of service

B) TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2008/09	817	137	79	569	1 602
2009/10	1 048	280	195	501	2 024
Difference	231	143	116	68	422
% growth year on year	29	105	147	12	27

Table 69: Service debtor age analysis

Note: Figures exclude provision for bad debt

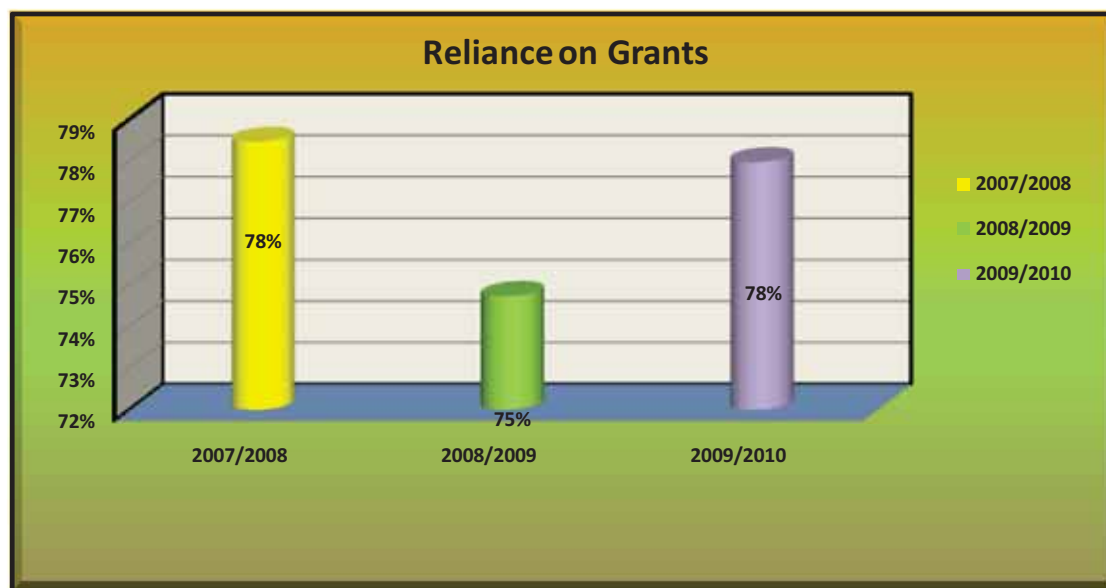
6.1.3 VIABILITY INDICATORS

A) LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage (%)
	R'000	R'000	
2007/08	70 746	90 163	78
2008/09	68 694	91 909	74
2009/10	70 111	89 910	78

Table 70: Reliance on grants

The following graph indicates the municipality's reliance on grants as percentage for the last three financial years



Graph 8: Reliance on grants as %

Overberg District Annual Report 2009/10

As mentioned before, being a District Municipality, **79%** of the municipality's revenue is dependent on other spheres of government, either for agency functions on behalf of the Province such as roads, or equitable share from the national government.

B) LIQUIDITY RATIO

Financial year	Net current assets	Net current liabilities	Ratio
	(R'000)	(R'000)	
2007/08	16 306	10 606	1.5:1
2008/09	19 321	14 802	1.3:1
2009/10	8 983	15 975	0.6:1

Table 71: Liquidity ratio

The municipality is currently under the national norm of 1.5:1 which indicates that current assets (cash and reserves) do not cater sufficiently for short-term liabilities, (creditors, etc).

6.1.4 AUDITED OUTCOMES

Year	2005/2006	2006/2007	2007/08	2008/09	2009/10
Status	Unqualified	Qualified	Unqualified	Unqualified	Unqualified

Table 72: Audit outcomes

The following table provides the details on the audit outcomes for the past two financial years with the correctives steps implemented:

2008/2009		2009/2010	
Issue raised	Corrective step implemented	Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>		<u>Emphasis of matter:</u>	
Amendments to the applicable basis of accounting.	The municipality has adopted the transitional provisions as allowed by Directive 4 of Standards of GRAP. Ongoing.	Going concern: Total liabilities exceed the total assets by an amount of R11 900 329	The liabilities exceeding the assets are due to adjustments made in respect of provisions.
Unauthorised expenditure	Overspending of amounts appropriated for votes approved by council on 11 November 2009.		
Restatement of corresponding figures.	Corresponding figures for 2007/2008 have been restated as a result of errors during 2008/2009. Finalized.		
<u>Matter of Governance:</u>		<u>Matter of Governance:</u>	
Significant difficulties were	Information provided.	Internal audit was unable to	Final report was issued after

Overberg District Annual Report 2009/10

2008/2009		2009/2010	
Issue raised	Corrective step implemented	Issue raised	Corrective step implemented
experienced in trying to reconcile the general ledger to annual financial statements.	Finalized.	complete its work on predetermined objectives prior to completion of the financial year.	year end.
The financial statements were subject to material corrections during audit.	Corrections were made and finalized.	Lack of adoption or implementation of a performance management system.	Performance management system for section 57 appointments and SDBIP reporting is in place.
No risk management strategy and policy.	Draft policy exists and in the process of being reviewed by DBSA. Ongoing.	Planned and reported performance targets not specific/ time bound.	Targets and indicators to be reviewed. Ongoing.
The information systems were not appropriate to facilitate the preparation of a performance report that is accurate and complete.	Auditor's recommendation will be implemented. Ongoing.	Inadequate content of the Integrated Development Plan and presentation of reported information.	Information given to auditor. Evidence does exist.
Adequate control processes and procedures are not designed and implemented to ensure the accuracy and completeness of reported performance information.	A consultant was appointed on 1 July 2009 by the DPLG to implement a performance management system. Ongoing.	Reasons for major variances between planned and actual reported targets were not explained.	Management will assess performance management system. Reporting does also take place on a monthly basis.
A strategic plan was not prepared and approved for processes of monitoring the performance in relation with the budget and delivery.	Ongoing. July 2009 by the DPLG to implement a performance management system. Ongoing.	Planned and reported indicators not verifiable.	Targets and indicators to be reviewed. Ongoing.
There is not a functioning performance management system for the assessment of performance bonuses.	A consultant was appointed on 1 July 2009 by the DPLG to implement a performance management system. Ongoing.	N/A	N/A
Non compliance with regulatory requirements:		Non compliance with regulatory requirements	
The annual report did not include the annual performance report.	A consultant was appointed on 1 July 2009 by the DPLG to implement a performance management system. Ongoing.	Expenditure was incurred otherwise than in accordance with section 15 of the MFMA resulting in unauthorized expenditure.	The overspending on votes was due to virement being applied. To be rectified in the amendment budget.
The internal audit processes and procedures did not include assessments of the performance management system.	There were no processes on performance management to be audited. Audit plan be amended to incorporate the audit on performance measurements.	Expenditure was incurred in contravention of or not in accordance with applicable legislation resulting in irregular expenditure.	The non approval of assets scrapped was due to political instability and lack of council meetings. This is due to be tabled to council.
		Annual report not approved timeously.	The audit finding is incorrect; the annual report for 2009/2010 is due for approval before 31 March

Overberg District Annual Report 2009/10

2008/2009		2009/2010	
Issue raised	Corrective step implemented	Issue raised	Corrective step implemented
			2011.
		Annual budget not approved timeously.	Budget was not approved timeously due to council being under administration.

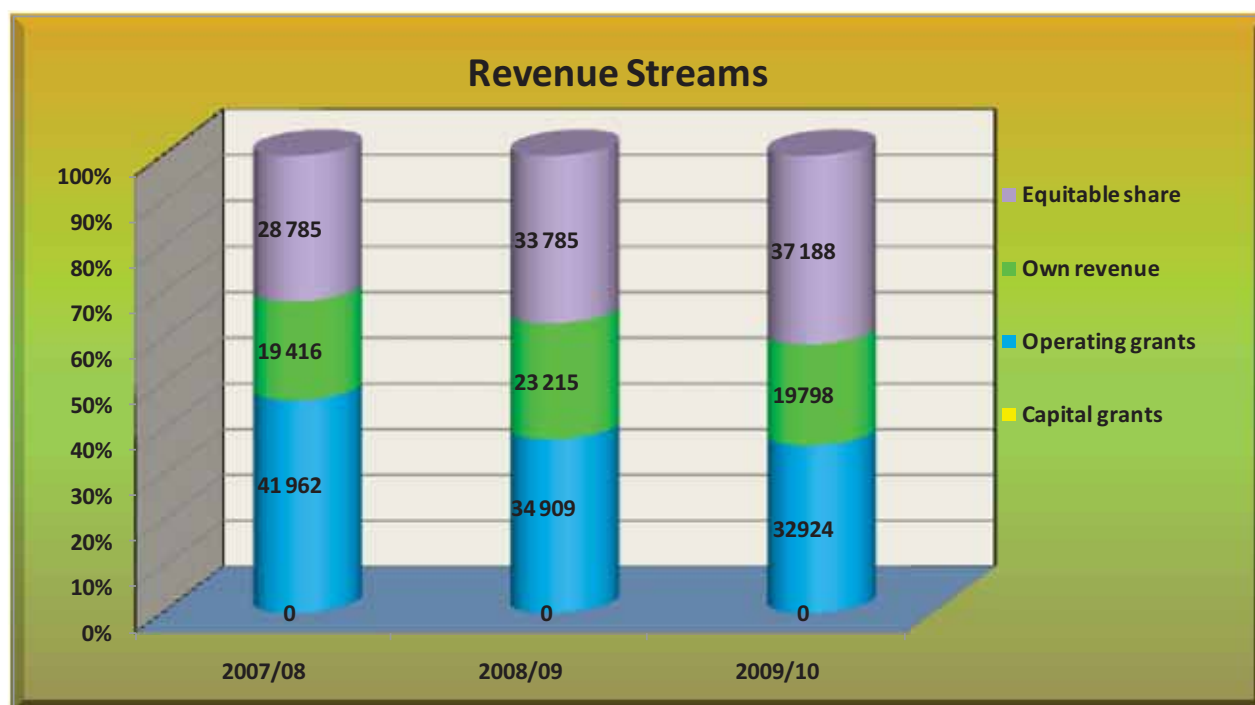
Table 73: Detail on audit outcomes

6.1.5 EQUITABLE SHARE VS TOTAL REVENUE

Description of revenue	Amount received 2007/08	Amount received 2008/09	Amount received 2009/10
	R'000	R'000	R'000
Equitable share	28 785	33 785	37 188
Capital grants	-	-	-
Operating grants	41 962	34 909	32 924
Own revenue	19 416	23 215	19 798
Total revenue	90 163	91 909	89 910

Table 74: Equitable share vs. total revenue

The following graph indicates the various revenue streams of the municipality for the past three financial years



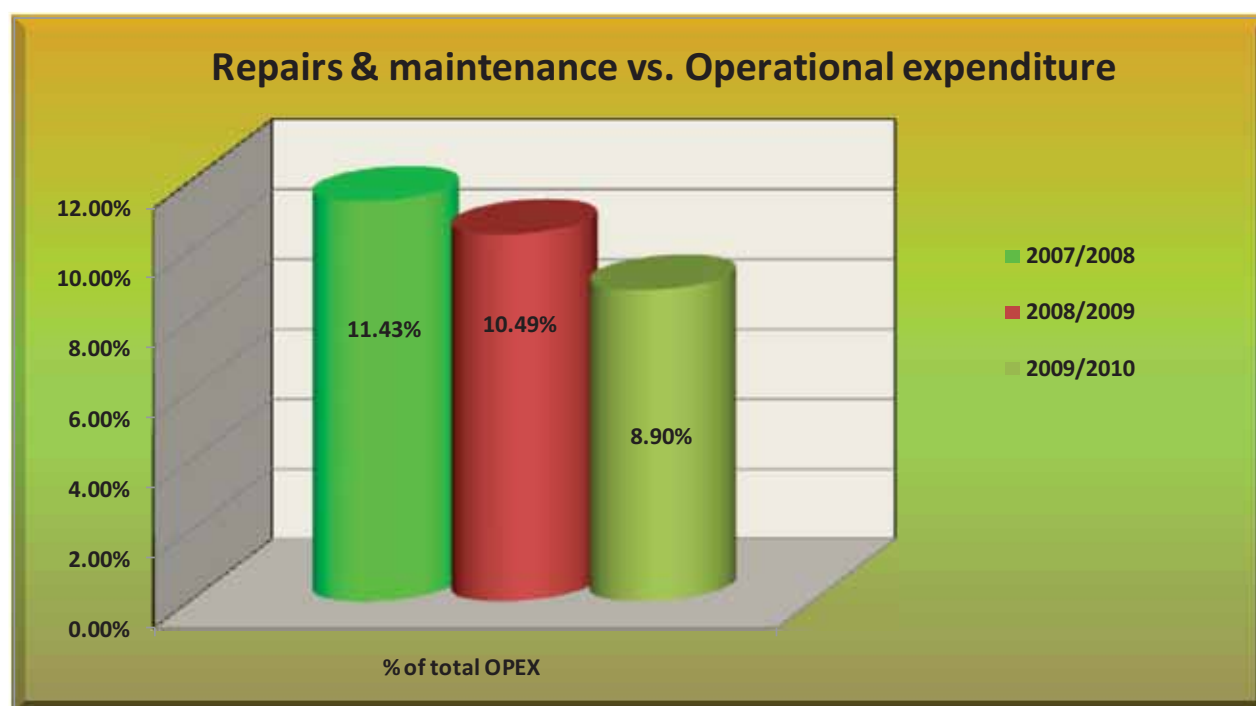
Graph 9: Revenue streams

6.1.6 REPAIRS AND MAINTENANCE

Description	2007/08	2008/09	2009/10
	R'000	R'000	R'000
Total Operating Expenditure	89 217	93115	101 080
Repairs and Maintenance	10 197	9 768	8995
% of total OPEX	11.4	10.5	8.9

Table 75: Repairs & maintenance as % of total OPEX

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the Technical budget



Graph 10: Repairs and maintenance as percentage of OPEX

6.2 FINANCIAL CHALLENGES

Challenge	Action to address
Cash flow and sufficient funding	Selling of un-used land properties
Cash banked services	Identification of income generating investment properties

Table 76: Financial Viability Challenges

LIST OF ABBREVIATIONS

AG	Auditor-General
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
COA's	Certificate of Acceptability
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LTB	Local Tourism Bureaux
LTO	Local Tourism Ogranisation
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
RTO	Regional Tourism Organisation
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute

Overberg District Annual Report 2009/10

SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
STO	Greater Swellendam Marketing Office
CAT	Cape Agulhas Tourism
MSATs	Multisectoral Action Teams
EHP's	Environmental Health Practitioners
CTRU	Cape Town Routes Unlimited
ABI	Amalgamated Beverage Industries
DCAS	Department of Cultural Affairs and Sport

ANNEXURE A: FINANCIAL STATEMENTS

ANNEXURE B: REPORT OF THE AUDITOR GENERAL

**AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL
LEGISLATURE AND THE COUNCIL ON OVERBERG DISTRICT MUNICIPALITY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Overberg District Municipality, which comprise the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information set out on pages 9 to 49.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2009 (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Overberg District Municipality as at 30 June 2010 and its financial performance and its cash flows for the year then ended, in accordance with SA Standards of GRAP and in the manner required by the MFMA and DoRA.

Emphasis of matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Going concern

9. As disclosed in note 34 of the financial statements, while the municipality has prepared financial statements on a going concern basis, and although it does not appear that the financial sustainability is under threat, it should be noted that the total liabilities of the municipality exceed the total assets by an amount of R11 900 329 (2009: R729 762).

Additional matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Material inconsistencies in other information included in the annual report

11. At the date of finalising my audit, the annual report has not yet been finalised. I have, therefore, not been able to determine if there are any inconsistencies between the audited information and other information presented in the annual report.

Unaudited supplementary schedules

12. The supplementary information set out on pages 50 to 60 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the MFMA, DoRA, Local Government: Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA), and financial management (internal control).

Predetermined objectives

14. Material findings on the report on predetermined objectives, as set out on pages 28 to 56 of the annual report, are reported below:

Non-compliance with regulatory and reporting requirements

Lack of adoption or implementation of a performance management system

15. The municipality did not yet formally adopt a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players, as required in terms of sections 36, 38 and 41(2) of the MSA, and regulations 7 and 8 of the Municipal Planning and Performance Management Regulations, 2001. The performance management system was still in draft.

Internal auditing of performance measurements

16. The internal auditors of the municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee by the end of the financial year, as required by section 45(a) of the MSA.

Usefulness of reported predetermined objectives

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?

The following audit finding relates to the above criteria:

Planned and reported performance targets not specific/time bound

17. For the selected objectives, only 50% of the planned and reported targets were:
- specific in clearly identifying the nature and the required level of performance;
 - time bound in specifying the time period or deadline for delivery.

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Validity:** Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?
- **Accuracy:** Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.
- **Completeness:** All actual results and events that should have been recorded have been included in the reported performance information.

The following audit findings relate to the above criteria:

Inadequate content of the Integrated Development Plan (IDP) and presentation of reported information

18. The actual achievements with regard to 67% of all planned indicators and targets specified in the IDP/SDBIP for the year under review, for the selected programmes were not reported in the annual performance report submitted for audit purposes.

Reasons for major variances between planned and actual reported targets were not explained

19. Explanations for major variances between the planned and the actual reported targets for selected indicators were not reported.

Planned and reported indicators not verifiable

20. Comparisons between performance in the current year with targets set for the current and previous financial years are not disclosed in the annual performance report and supported by appropriate corroborating evidence as required by Section 46(1) of the Municipal Systems Act, (Act No. 32 of 2000).
21. Fifty percent of the planned and reported indicators for selected objectives could not be agreed to valid supporting information. It was not possible to adequately validate the

processes and systems that produce the indicators.

Compliance with laws and regulations

Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)

Expenditure was incurred otherwise than in accordance with section 15 of the MFMA resulting in unauthorised expenditure

22. Expenditure was not incurred in accordance with the approved budget of the municipality and exceeded the limits of the amounts appropriated for the different votes in the approved budget of the municipality. As disclosed in note 35 to the financial statements, unauthorised expenditure amounting to R5 016 475 was incurred. This mainly relates to overspending on votes.

Expenditure was incurred in contravention of or not in accordance with applicable legislation resulting in irregular expenditure

23. Expenditure was not incurred in accordance with the requirements of the supply chain management policy of the municipality. As disclosed in note 37 to the financial statements, irregular expenditure amounting to R934 989 was incurred. This relates to assets scrapped that were not approved by council at year end.

Approval of annual report

24. The council did not approve its final 2009-10 annual report within two months after the report was tabled on or before 31 March 2010, as required by as required by section 129 of the Municipal Finance Management Act, 2003.

Approval of annual budget

25. The council did not approve its 2010-11 budget on or before 30 June 2010, as required by section 16 of the Municipal Finance Management Act, 2003.

INTERNAL CONTROL

26. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with relevant laws and regulations, but not for the purpose of expressing an opinion on the effectiveness of internal control.
27. The matters reported below are limited to the significant deficiencies regarding the basis for the opinion paragraph, the findings on the report on predetermined objectives and the findings on compliance with laws and regulations.

Leadership

28. The municipality did not exercise adequate oversight responsibility to ensure compliance with certain aspects of the legislative framework, and as a result its 2009-10 annual report and 2010-11 budget was not approved within the legislated timeframes.

Financial and performance management

29. Findings related to the report on predetermined objectives were not prevented or detected by the municipality's internal control systems. Management has not implemented adequate systems to ensure that there is a clear trail of supporting information for the reported targets achieved in the annual performance report.

Governance

30. Internal audit did not fulfil its responsibilities as set out in legislation and in accordance with its work plan prior to the end of the financial year as it was unable to complete its work on predetermined objectives prior to the completion of the financial year, as required by Section 45(a) of the MSA.

Auditor-General
Cape Town

30 November 2010



ANNEXURE C: REPORT OF THE AUDIT COMMITTEE

ANNEXURE A: FINANCIAL STATEMENTS



OVERBERG DISTRICT MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

General Information

Nature of business and principal activities

Overberg Municipality is a district municipality performing the functions as set out in the Constitution. (Act no 105 of 1996).

Mayoral committee

Executive Mayor

Vacant

Councillors

J C October

N Botha

J Januarie

P T Pont

L D Oosthuizen

J Kriel

D F Du Toit

A E Franken

K Tienie

J Gelderblom

C Wood

D Govender

V Mazembe

D Rullers

D Abrahams

S Baird

F Khohlekala

I Stevens

E Marthinus

Grading of local authority

Grade 9

Accounting Officer

R F Buller

Chief Finance Officer (CFO)

O J Mackenzie

Registered office

26 Long Street

Bredasdorp

7280

Postal address

Private Bag X22

Bredasdorp

7280

Bankers

Absa and First National Bank

Auditors

Auditor General

Attorneys

Luttig and Son

DLA Cliffe Dekker Hofmeyr

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

General Information

Relevant Legislation

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal System Act (Act no 32 of 2000)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1986)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALBC Leave Regulations
Municipal Budget and Reporting Regulations

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Accounting Officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash Flow Statement	8
Accounting Policies	9 - 23
Notes to the Annual Financial Statements	24 - 49

Abbreviations

COD	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are responsible for reporting on the fair presentation of the annual financial statements.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notice 981 and 982 of 2005.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2011 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 5 to 49, which have been prepared on the going concern basis, were approved by the accounting officer on 28 November 2010 and were signed on his behalf by:

Accounting Officer

R.F. BUTLER

Bredasdorp

28 November 2010

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Statement of Financial Position

Figures in Rand	Note(s)	2010	2009
Assets			
Current Assets			
Inventories	11	831,987	1,034,182
Trade and other receivables from - non exchange transactions	13	2,875,236	1,559,058
Consumer debtors	12	375,257	167,690
Cash and cash equivalents	14	4,900,583	18,560,927
		<u>8,983,083</u>	<u>19,321,857</u>
Non-Current Assets			
Property, plant and equipment	8	36,030,387	36,625,264
Intangible assets	9	196,084	306,208
Investments	10	145,452	119,784
		<u>36,371,923</u>	<u>37,051,256</u>
Total Assets		<u>45,355,006</u>	<u>56,373,113</u>
Liabilities			
Current Liabilities			
Long - term liability	4	2,977,348	2,644,135
Trade and other payables from exchange transactions	5	4,775,353	7,660,109
VAT payable	7	191,010	157,701
Unspent conditional grants and receipts	6	4,266,895	3,501,363
Provisions	41	3,765,046	938,885
		<u>16,875,652</u>	<u>14,902,297</u>
Non-Current Liabilities			
Long - term liability	4	4,693,352	6,666,852
Provisions	41	36,648,311	35,613,726
		<u>41,291,663</u>	<u>42,300,578</u>
Total Liabilities		<u>67,257,315</u>	<u>67,102,875</u>
Net Assets		<u>(11,900,329)</u>	<u>(729,762)</u>
Net Assets			
Reserves			
Capital replacement reserve	3	759,086	759,086
Accumulated surplus		<u>(12,659,416)</u>	<u>(1,489,848)</u>
Total Net Assets		<u>(11,900,329)</u>	<u>(729,762)</u>

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Statement of Financial Performance

Figures in Rand	Note(s)	2010	2009
Revenue			
Service charges	16	4,441,070	4,371,879
Rental of facilities and equipment		8,824,842	9,442,382
Interest received - outstanding debtors		1,490	16,992
Income from agency services		8,101,910	3,439,000
Public contributions		13,000	250
Licences and permits		4,667	3,720
Government grants & subsidies	17	70,111,617	68,889,648
Actuarial Gains		-	2,268,538
Other Income	18	1,074,382	1,374,631
Interest received - Investment	23	1,393,082	2,267,258
Dividends received	23	4,278	30,410
Total Revenue		88,909,638	91,804,608
Expenditure			
Employee related costs	20	(53,868,020)	(45,572,732)
Remuneration of councillors	21	(3,260,438)	(3,308,520)
Depreciation and amortisation	24	(3,224,152)	(2,937,223)
Finance costs	25	(1,248,736)	(1,668,440)
Bad Debts	22	3,502	(616,207)
Repairs and maintenance		(8,994,795)	(9,768,487)
Contracted services	27	(1,138,544)	(1,326,636)
Grants and subsidies paid	28	(366,977)	(838,634)
General Expenses	19	(28,993,052)	(27,075,124)
Total Expenditure		(101,080,214)	(93,110,003)
Deficit for the year		(11,170,576)	(1,205,195)

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Statement of Changes in Net Assets

Figures in Rand	Capital replacement reserve	Accumulated surplus	Total net assets
Balance at 01 July 2008	759,086	(283,653)	475,433
Changes in net assets			
Surplus for the year	-	(1,205,195)	(1,205,195)
Total changes		(1,205,195)	(1,205,195)
Balance at 01 July 2009	759,086	(1,488,839)	(729,753)
Changes in net assets			
Surplus for the year	-	(11,170,576)	(11,170,576)
Total changes		(11,170,576)	(11,170,576)
Balance at 30 June 2010	759,086	(12,659,415)	(11,900,329)
Note(s)	3		

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Cash Flow Statement

Figures in Rand	Note(s)	2010	2009
Cash flows from operating activities			
Receipts			
Sale of goods and services		4,441,070	4,371,979
Grants		70,111,817	68,689,648
Interest income		1,333,082	2,267,258
Dividends received		4,278	30,410
Other receipts		13,993,923	18,545,513
		<u>89,883,970</u>	<u>91,904,808</u>
Payments			
Employee costs		(52,054,814)	(45,572,732)
Finance costs		(1,248,738)	(1,869,440)
Other payments		(44,073,457)	(33,206,862)
		<u>(97,377,009)</u>	<u>(80,449,034)</u>
Net cash flows from operating activities	29	<u>(7,493,039)</u>	<u>11,455,774</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(3,456,350)	(3,002,655)
Proceeds from sale of property, plant and equipment	8	934,989	-
Purchase of other intangible assets	8	-	(286,937)
Proceeds from sale of financial assets		(25,668)	22,816
Net cash flows from investing activities		<u>(2,547,029)</u>	<u>(3,266,676)</u>
Cash flows from financing activities			
Repayment of long-term liability		(1,620,287)	(1,176,541)
Net cash flows from financing activities		<u>(1,620,287)</u>	<u>(1,176,541)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(11,660,355)</u>	<u>7,012,557</u>
Cash and cash equivalents at the beginning of the year		16,560,927	9,548,369
Cash and cash equivalents at the end of the year	14	<u>4,900,572</u>	<u>16,560,926</u>

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These annual financial statements have been prepared in accordance with Directive 5 "Determining the GRAP Reporting Framework", issued by the Accounting Standards Board.

The standards are summarised as follows:

Standard of GRAP

GRAP 1
GRAP 2
GRAP 3

GRAP 4
GRAP 5
GRAP 6
GRAP 7
GRAP 8
GRAP 9
GRAP 10
GRAP 11
GRAP 12
GRAP 13
GRAP 14
GRAP 16
GRAP 17
GRAP 19
GRAP 100

GRAP 101
GRAP 102
IAS 19
IAS 38
IAS 32
IAS 39
IFRS 7
IPSAS 20
IFRS 3
IFRS 4
IFRS 6
IAS 12
SIC - 20

SIC - 25

SIC - 29
IFRIC 2

IFRIC 4
IFRIC 9
IFRIC 12
IFRIC 13
IFRIC 14

IFRIC 16
IFRIC 18

Presentation of Financial Statements
Cash Flow Statements
Accounting Policies, Changes in Accounting Estimates and Errors
The Effects of changes in Foreign Exchange Rates
Borrowing Costs
Consolidated and Separate Financial Statements
Investments in Associate
Interests in Joint Ventures
Revenue from Exchange Transactions
Financial Reporting in Hyperinflationary Economies
Construction Contracts
Inventories
Leases
Events after the reporting date
Investment Property
Property, Plant and Equipment (PPE)
Provisions, Contingent Liabilities and Contingent Assets
Non-Current Assets Held for Sale and Discontinued Operations
Agricultural
Intangible Assets
Employee Benefits
Impairment of assets
Financial Instruments: Presentation
Financial Instruments: Recognition and measurement
Financial Instruments: Disclosure
Related Parties
Business Combinations
Insurance Contracts
Exploration for and Evaluation of Mineral Resources
Income Taxes
Income Taxes - Recovery of Revaluated Non-Depreciable Assets
Income Taxes - Changes in the Tax Status on an Entity or its Shareholders
Service Concessions Arrangements - Disclosures
Members' Shares in Co-operative Entities and Similar Instruments
Determining whether an Arrangement contains a Lease
Reassessment of Embedded Derivatives
Service Concession Arrangements
Customer Loyalty Programmes
The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
Agreements for the Construction of Real Estate
Hedges in a Net Investment in a Foreign Operation

Accounting policies for material transactions, events or conditions not covered by the above GRAP have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3.

A summary of the significant accounting policies, which have been consistently applied except where an exemption or

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

Transitional provision has been granted, are disclosed below.

Assets, liabilities, revenue and expenses have not been offset except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant notes to the Financial Statements.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant notes to the Financial Statements.

In terms of Directive 4: "Transitional Provision for the Adoption of Standards of GRAP by Medium and Low Capacity Municipalities" issued by the accounting Standards Board the municipality has adopted the transitional provisions for the following GRAP Standards:

GRAP 5	Borrowing Costs
GRAP 12	Inventories
GRAP 13	Leases
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment (PPE)
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 100	Non-Current Assets Held for Sale and Discontinued Operations
GRAP 101	Agricultural
GRAP 102	Intangible Assets

1.1 Presentation of Currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going Concern Assumption

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for the foreseeable future.

1.3 Comparative Information

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.4 Standards, amendments to standards and interpretations issued but not yet effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18	Segment Reporting
GRAP 21	Impairment of non-cash-generating assets
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 26	Property, Plant and Equipment (PPE)
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments

1.5 Translation of foreign currencies

Foreign currency transactions

The Municipality will not incur a foreign currency liability other than that allowed by the MFMA.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.6 Internal Reserves

Capital replacement reserve (CRR)

In order to finance the future provision of infrastructure and other items of property, plant and equipment from internal sources amounts are transferred out of the accumulated surplus/(deficit) into the Capital Replacement Reserve (CRR) in terms of a Council resolution. The cash allocated to the CRR can only be utilised to finance items of property, plant and equipment. The following provisions are set for the creation and utilisation of the CRR:

- The CRR is reduced and the accumulated surplus/(deficit) credited with corresponding amounts when the funds are utilised.

1.7 Leases

Municipality as lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Transfer of ownership is not required to be recognised as a finance lease. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

Municipality as lessor

Under a finance lease, the municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Operating leases – lessee

Operating lease payments are recognised as an expense on the basis of the cash flows in the leases.

1.8 Unutilised conditional grants

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public.

1.9 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.9 Provisions and contingencies (continued)

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding agreement.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 30.

Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

1.10 Pension and other post-employment benefits

Long Service awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality. The municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.10 Pension and other post-employment benefits (continued)

Pension obligations

The Municipality operates various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Municipality has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans

The Municipality provides retirement benefits for its employees and councillors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

Defined benefit plans are post-employment benefit plans other than defined contribution plans. The defined benefit funds, which are administered on a provincial basis, are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities. The contributions and lump sum payments are charged against income in the year they become payable.

Post retirement obligations

The Municipality provides post-retirement healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to the Statement of Financial Performance. These obligations are valued bi-annually by independent qualified actuaries.

Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

1.11 Property, plant and equipment

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.11 Property, plant and equipment (continued)

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.11 Property, plant and equipment (continued)

Item	Average useful life
Landfill sites	30
Buildings	30
Specialist plant & equipment	10-15
Furniture and Fittings	5-10
Other vehicles	5
Office equipment	5-7
Equipment	2-7
Infrastructure	
• Roads and Paving	10-20
• Pedestrian Malls	20
• Electricity	20-30
Community	
• Improvements	30
• Recreational Facilities	20-30
• Security	3-5
Other Plant & Equipment	2-5
Bins and containers	5-10
Specialised vehicles	20
Watercraft	15

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. These assets are not accounted for as non-current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.12 Intangible assets

1.12.1 Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licences and development costs. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the municipality intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the municipality has the resources to complete the project; and
- it is probable that the municipality will receive future economic benefits or service potential

Intangible assets are initially recognised at cost.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.12 Intangible assets (continued)

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

1.12.2 Subsequent Measurement – Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

1.12.3 Amortisation and Impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated useful lives:

Computer software, other

3 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

1.12.4 Derecognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Exemptions taken according to Directive 4 – Transitional Provisions for Medium and Low Capacity Municipalities.

1.13 Inventories

Inventories consist of consumables and are stated at the lower of cost. Cost is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Consumables are written down with regard to their age, condition and utility.

1.13.1 Initial Recognition

Inventories comprise current assets held for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

1.13.2 Subsequent Measurement

Inventories, consisting of consumable stores and finished goods, are valued at the lower of cost, unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose.

OVERBERG DISTRICT MUNICIPALITY

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Accounting Policies

1.13 Inventories (continued)

The carrying amount of inventories is recognised as an expense in the period that the inventory was distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

Exemptions taken according to Directive 4 – Transitional Provisions for Medium and Low Capacity Municipalities.

1.14 Financial Instruments

Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through surplus or deficit - held for trading
- Held-to-maturity investment
- Loans and receivables
- Available-for-sale financial assets

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

Initial recognition and measurement

Transaction costs on financial instruments at fair value through surplus or deficit are recognised in profit or loss.

Financial instruments are recognised when the Municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value plus, in the case of a financial asset or liability not at fair value through the Statement of Financial Performance, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. The subsequent measurement of financial instruments is dealt with as follows:

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Municipality has transferred substantially all risks and rewards of ownership, or when the enterprise loses control of contractual rights that comprise the assets. Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Subsequent measurement

Financial instruments at fair value through surplus or deficit are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for the period.

Net gains or losses on the financial instruments at fair value through surplus or deficit: dividends and interest.

Dividend income is recognised in surplus or deficit as part of other income when the municipality's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available for sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available for sale financial assets calculated using the effective interest method is recognised in surplus or deficit as part of other income. Dividends received on available for sale equity instruments are recognised in surplus or deficit as part of other income when the municipality's right to receive payment is established.

Changes in fair value of available for sale financial assets denominated in a foreign currency are analysed between

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Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.14 Financial Instruments (continued)

Translation differences resulting from changes in amortised cost and other changes in the carrying amount. Translation differences on monetary items are recognised in surplus or deficit, while translation differences on non-monetary items are recognised in other comprehensive income and accumulated in equity.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the municipality establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each end of the reporting period the municipality assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the municipality, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from equity as a reclassification adjustment in other comprehensive income and recognised in surplus or deficit.

Impairment losses are recognised in surplus or deficit.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit except for equity investments classified as available for sale.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Financial assets

The Municipality classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the date of the Statement of Financial Position. They arise when the Municipality provides money for goods or services directly to a debtor with no intention of trading the receivable and are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method, less provision for impairment.

Trade and other receivables

Trade receivables are recognised initially at originating cost and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when

OVERBERG DISTRICT MUNICIPALITY

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Accounting Policies

1.14 Financial Instruments (continued)

There is objective evidence that the Municipality will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance. When a trade receivable is uncollectible, it is written off in terms of the municipality's Credit Control and Debt Collection Bylaw. Subsequent recoveries of amounts previously written off are credited against the Statement of Financial Performance.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand deposits held on call with banks and investment in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on facility utilized. Finance charges on bank overdrafts are expensed as incurred.

Bank overdraft and borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Financial Performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Municipality has the unconditional right to defer settlement of the liability for at least 12 months after the date of the Statement of Financial Position.

Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in surplus or deficit when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the municipality has the positive intention and ability to hold to maturity are classified as held to maturity.

Financial liabilities and equity instruments

The Municipality measures all financial liabilities, including trade and other payables, at amortised cost, using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions) and trade and other payables (excluding provisions). Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

Gains and losses

A gain or loss arising from a change in a financial asset or financial liability is recognised as follows:

- A gain or loss on a financial asset or financial liability classified as at fair value through surplus or deficit is recognised in surplus or deficit.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.14 Financial instruments (continued)

- A gain or loss on an available-for-sale financial asset is recognised directly in net assets, through the statement of changes in net assets, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in net assets is recognised in surplus or deficit, and
- For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, and through the amortisation process.

Derecognition

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the municipality retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the municipality has transferred its rights to receive cash flows from the asset and either
 - has transferred substantially all the risks and rewards of the asset, or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the municipality has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the municipality's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the municipality could be required to repay. Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the municipality's continuing involvement is the amount of the transferred asset that the municipality may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the municipality's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

Impairment of financial assets

The municipality assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

Assets are carried at amortised cost.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognised in surplus or deficit. The municipality first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.15 Revenue from exchange transactions (continued)

Increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by:

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends, or their equivalents are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.16 Unauthorized expenditure

Unauthorized expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state, and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.17 Irregular expenditure (continued)

Municipal Systems Act (Act No. 32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998), or is in contravention of the municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.18 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain, and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.19 Contingent Liabilities

Contingent liabilities existent at the reporting date include housing loan guarantees issued by arrangement with Council's bankers.

Other known contingent liabilities are reflected in the financial statements.

1.20 Amended Disclosure Policy

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, and the treatment of assets financed by external grants.

1.21 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis as an exchange transaction.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

1.22 Tax

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Accounting Policies

1.22 Tax (continued)

The Municipality accounts for value-added tax on the payment basis.

1.23 Rounding

The amounts reflected in the financial statements of the Municipality are all in Rand, and all amounts are rounded off to the nearest Rand.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Notes to the Annual Financial Statements

Figures in Rand

	2010	2009
2. Changes in accounting policy		
The municipality did not change any of its accounting policies during the year.		
3. Capital replacement reserve		
Balance at the beginning of the year	759,008	759,086
4. Long-term liability		
At fair value through profit or loss		
Capitalised lease liability	2,418,478	1,910,261
Annully loans	5,192,222	7,320,726
Terms and conditions	7,610,700	9,230,987
Non-current liabilities		
Long-term portion	4,633,352	6,686,852
Current liabilities		
Short-term portion	2,977,348	2,544,135
	7,610,700	9,230,987
Refer to Appendix A for more detail on long-term liabilities.		
Interest payments		
Within 1 year	1,333,459	215,480
Rest of period	3,333,647	881,840
Capital payments		
Within 1 year	2,977,347	414,551
Rest of period	4,633,353	1,310,013
	12,277,806	2,801,864

Capitalised lease liability is secured by office equipment and motor vehicles (see note 8 on Property, Plant and Equipment)

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Annual Financial Statements for the year ended 30 June 2010

Notes to the Annual Financial Statements

Figures in Rand

	2010	2009
5. Trade and other payables from exchange transactions		
Payments received in advance	458,268	436,977
Accrued leave pay	2,620,088	2,227,603
Deposits received	41,716	43,366
Suspense Accounts	30,138	181,758
Trade payables	1,625,163	4,770,469
	<u>4,778,353</u>	<u>7,660,193</u>

6. Unspent conditional grants and receipts

Municipal Infrastructure Grant	84,244	84,244
Finance Management Grant	941,921	1,037,986
Napier Tourism Office	1,311	1,230
Local Economic Development	19,116	18,046
Non - Motorised Transport	6,490	6,127
Spatial Development Framework	798,470	753,789
SETA Training Fund	400,390	533,925
Tourism routes	55,201	52,112
Human rights programme	90,935	85,847
Kogelberg Biosphere	23,316	22,011
Unspent public contributions and donations	22,346	22,346
Alcohol abuse	2,259	36,784
Tourism workshops	18,313	17,288
Tourism projects	103,467	97,677
Housing training	201,194	189,938
CDW grant	4,669	52,913
Municipal Systems Improvement Grant	500,427	497,008
Bulk Waste Water Infrastructure Grant	1,000,000	-
Breede River Spatial development Framework	12,826	12,108
	<u>4,266,895</u>	<u>3,501,383</u>

Refer to Appendix F for Unspent Grants at year-end and movements during the year.

7. VAT payable

Vat payable	181,010	157,701
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VAT is payable the following month on the receipts basis

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Notes to the Annual Financial Statements

Figures in Rand

2010

2009

8. Property, plant and equipment

	2010			2009		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Buildings	5,044,128	(2,260,583)	2,783,545	3,611,776	(2,171,158)	1,440,618
Infrastructure	25,630,539	(9,266,595)	16,363,944	25,312,227	(8,357,690)	16,954,537
Community	1,936,773	(264,927)	1,671,846	1,954,273	(224,464)	1,729,809
Other property, plant and equipment	21,654,145	(8,841,572)	12,812,573	22,268,021	(8,010,662)	14,257,359
Other leased Assets	3,814,751	(1,398,272)	2,416,479	3,268,001	(1,022,860)	2,245,141
Total	58,080,336	(22,049,849)	36,030,487	56,412,298	(19,787,034)	36,625,264

Reconciliation of property, plant and equipment - 2010

	Opening Balance	Additions	Disposals	Depreciation	Total
Buildings	1,440,618	1,454,352	(20,583)	(90,832)	2,783,545
Infrastructure	16,954,337	318,312	-	(928,705)	16,343,944
Community	1,729,809	-	(16,448)	(41,615)	1,671,846
Other property, plant and equipment	14,257,359	584,172	(682,076)	(1,346,882)	12,812,573
Other leased Assets	2,243,141	1,099,514	(215,872)	(708,304)	2,416,479
	36,625,264	3,456,350	(934,989)	(3,116,238)	36,030,487

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Depreciation	Impairment loss	Total
Buildings	1,498,924	21,363	(79,669)	-	1,440,618
Infrastructure	17,981,923	-	(927,686)	-	16,954,337
Community	1,771,324	-	(41,515)	-	1,729,809
Other property, plant and equipment	16,356,262	988,752	(1,119,897)	(967,958)	14,257,359
Other leased Assets	1,286,576	1,992,440	(751,872)	(264,003)	2,243,141
	37,775,009	3,002,556	(2,620,339)	(1,231,861)	36,625,264

The leased property, plant and equipment is secured as set out in Note 4.

The Municipality identified other properties, plant and equipment, with opening balances and adjustments during the year.

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

The Municipality has taken advantage of the transitional provisions set out Directive 4. The Municipality is in the process of identifying and itemizing all Infrastructure and community assets and other property, plant and equipment and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2011. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of Infrastructure and community assets and other property plant and equipment using global or other historical costs recorded in the accounting records.

- Review of useful life of item of PPE recognised in the annual financial statements. [Paragraphs 58-61 and 77]
- Review of the depreciation method applied to PPE recognised in the annual financial statements. [Paragraphs 62 and 77]
- Impairment of non-cash generating assets. [Paragraphs 64-69 and 75(e)(v) - (vi)]
- Impairment of cash generating assets. [Paragraphs 63 and 75(e)(v) - (vi)]
- Exemptions taken for leases according to Directive 4
- The municipality is required to measure the residual value of an item of property, plant and equipment. Management has determined that all of its Infrastructural assets have no active market value, and the value of the amount at the end of its life would therefore be nil or insignificant. During the previous financial year, the municipality reviewed the estimated useful lives and residual values of property, plant and equipment where appropriate. Fully depreciated

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8. Property, plant and equipment (continued)
assets at an original cost of R413 373 are still currently in use.

9. Intangible assets

	2010			2009		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Other intangible assets	651,187	(463,103)	188,084	651,187	(344,979)	306,208

Reconciliation of Intangible assets - 2010

	Opening Balance	Amortisation	Total
Other Intangible assets	306,208	(108,124)	198,084

Reconciliation of Intangible assets - 2009

	Opening Balance	Additions	Revaluations	Amortisation	Total
Other Intangible assets	19,928	286,937	13,737	(14,392)	306,208

10. Investments

Unlisted

2 852 Shares in Overberg Agri @ R51 per share
Terms and conditions

145,452 119,784

Non-current assets

Unlisted

145,452 119,784

The municipality has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

For debt securities classified as at fair value through surplus or deficit, the maximum exposure to credit risk at the reporting date is the carrying amount.

11. Inventories

Consumable stores

831,987 1,034,182

OVERBERG DISTRICT MUNICIPALITY

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	2010	2009
12. Consumer debtors		
Gross balances		
Electricity	11,892	12,101
Water	3,708	2,984
Sewerage	5,181	4,634
Refuse	3,148	2,383
VAT outstanding from Consumer Debtors	184,335	122,710
Housing rental	162,026	70,450
Legal Fees	43,419	109,196
	413,709	324,458
Less: Provision for bad debts		
Consumers	(38,452)	(156,768)
Net balance		
Provision for bad debts	(38,452)	(156,768)
Electricity	11,892	12,101
Water	3,708	2,984
Sewerage	5,181	4,634
Refuse	3,148	2,383
VAT outstanding from Consumer Debtors	184,335	122,710
Housing rental	162,026	70,450
Legal Fees	43,419	109,196
	375,257	167,690
Provision for Bad debts		
0 -365 days	(38,452)	(156,768)
Electricity		
Current (0 -30 days)	6,870	3,227
31 - 60 days	2,370	1,091
61 - 90 days	760	346
90 > Days	1,902	7,437
	11,892	12,101
Water		
Current (0 -30 days)	1,241	609
31 - 60 days	655	254
61 - 90 days	278	985
90 > Days	1,334	1,136
	3,708	2,984
Sewerage		
Current (0 -30 days)	778	732
31 - 60 days	400	549
61 - 90 days	200	549
90 > Days	3,803	2,804
	5,181	4,634
Refuse		
Current (0 -30 days)	920	616
31 - 60 days	480	209
61 - 90 days	235	113
90 > Days	1,533	1,445

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Figures in Rand	2010	2009
12. Consumer debtors (continued)		
	<u>3,148</u>	<u>2,383</u>
Vat outstanding from Consumer debtors		
0 - 365 days	<u>184,335</u>	<u>122,710</u>
Housing rental		
Current (0 - 30 days)	17,595	40,117
31 - 60 days	-	9,507
61 - 90 days	6,400	-
90 > Days	<u>138,031</u>	<u>20,826</u>
	<u>162,026</u>	<u>70,450</u>
Legal Fees		
0 - 365 days	<u>43,419</u>	<u>109,188</u>
Summary of debtors by customer classification		
Less: Provision for debt Impairment		
Current	<u>(38,452)</u>	<u>(156,768)</u>
Debt Summary		
Balance	413,709	324,458
Provision of Bad debts	<u>(38,452)</u>	<u>(156,768)</u>
	<u>375,257</u>	<u>167,690</u>

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13. Trade and other receivables from - non exchange transactions

District Council Levies	-	229,797
Suspense account debts	786,426	394,182
Postponed payments	-	335,562
Agency Function - Provincial Health Services: Elec	3,874	3,874
Sundry debtors	2,836,221	1,512,753
Less: provision for bad debt	(551,285)	(917,120)
	2,875,236	1,559,058

14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4,000	3,490
Bank balances	798,238	10,972,239
Call Investment Deposit	4,098,346	5,585,198
	4,900,583	16,560,927

The municipality had the following primary bank account

Account number / description	Bank statement balances			Cash book balances		
	30 June 2010	30 June 2009	30 June 2008	30 June 2010	30 June 2009	30 June 2008
Primary Bank Account - ABSA BANK - 178 0000 062	1,693,369	11,659,356	6,173,307	498,235	10,972,239	4,546,249
Secondary Bank Account - FNB - 622 7078 7412	300,002	-	-	300,002	-	-
STANDARD BANK - 28 876 624 200 1	1,298,892	-	-	1,298,892	-	-
Call Investment Deposit ABSA BANK - 918 7219 975	513,114	5,585,198	5,047,290	513,114	5,585,198	5,000,000
NEDBANK BANK - 037 0817 1404 2	2,288,340	-	-	2,288,340	-	-
Total	6,001,737	17,244,554	11,220,597	4,898,583	16,557,437	9,546,249

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	2010	2009
15. Revenue		
Service charges	4,441,070	4,371,979
Rental of facilities & equipment	9,824,842	9,442,382
Income from agency services	3,101,310	3,439,000
Public contributions	13,000	250
Licences and permits	4,557	3,720
Government grants & subsidies	70,111,617	68,689,648
Actuarial Gains	-	2,266,538
	<u>87,496,396</u>	<u>88,215,517</u>
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	4,441,070	4,371,979
Rental of facilities & equipment	9,824,842	9,442,382
Income from agency services	3,101,310	3,439,000
Licences and permits	4,557	3,720
	<u>17,371,779</u>	<u>17,257,081</u>
The amount included in revenue arising from non-exchange transactions is as follows:		
Public contributions and donations	13,000	250
Government grants & subsidies	70,111,617	68,689,648
Actuarial Gains	-	2,266,538
	<u>70,124,617</u>	<u>70,958,436</u>
16. Service charges		
Sale of water/electricity	186,333	223,560
Sewerage and sanitation charges	7,719	11,867
Refuse removal	2,014,238	2,218,554
Cost Recovered	2,232,780	1,918,000
	<u>4,441,070</u>	<u>4,371,979</u>
17. Government grants and subsidies		
Alcohol abuse	34,525	3,775
Financial Management Grant	846,064	293,604
Municipal Systems Improvement Grant	731,579	237,994
Sala Training Fund	288,632	125,149
Municipal Infrastructure Grant	-	3,120
Equitable Share	36,195,404	32,962,961
Councillor Allowances	992,000	822,000
CDW Funds	-	36,980
Global Funds	1,433,568	1,311,419
Uebumvo Youth Fund	250,000	-
PAWK Subsidies	29,338,845	32,332,746
Management Support Grants	-	560,000
	<u>70,111,617</u>	<u>68,689,648</u>

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	2010	2009
18. Other Income		
Breakages Recovered	5,533	4,041
Fire Fighting	141,489	22,045
Resort Plonic Fees	115,841	74,212
Inspection Fees	42,958	49,849
Inspection KM Fees	12,411	14,614
Card/Key fees	110	-
Building Plan Copies	-	108
Pont Money	96,972	69,310
Cost Recovered	160,074	187,180
Insurance Money Recovered	9,399	75,480
Electricity Connections	75	327
Data Bank	235,499	347,244
Sundry Income	119,210	337,867
Administration Cost	109,153	192,356
Fair Value Gain	25,668	-
	<u>1,074,392</u>	<u>1,374,631</u>

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	2010	2009
19. General expenses		
Audit Committee compensation	37,124	39,663
Advertising	98,970	216,603
Assessment rates & municipal charges	183,931	257,386
Auditors remuneration	1,204,942	825,942
Bank charges	100,565	98,143
Cleaning	70,871	83,835
Consulting and professional fees	972,053	866,241
Loss on Sale of Fix Assets	724,791	564,486
Personnel Entertainment	47,325	45,928
Flowers	19,119	10,735
Deforestation	55,000	68,500
Insurance	375,898	317,438
Community development and training	409,435	118,757
Public Functions and Demonstration	46,486	50,203
IT expenses	38,385	27,316
Lease rentals on operating lease	1,166,598	660,191
Marketing	502,961	23,136
IDP Projects	566,146	500,000
Medical expenses	-	564
Motor vehicle expenses	1,060,441	1,056,382
Pest control	325	822
Fuel and oil	5,248,887	6,746,744
Placement fees	189,418	102,692
Printing and stationery	302,426	356,524
Travel Cost Global Fund	2,983	4,993
Security (Guarding of municipal property)	229,005	406,771
Staff welfare	14,416	42,797
Subscriptions and membership fees	223,537	146,565
Telephone and fax	1,838,386	1,592,157
Training	33,911	41,604
Travel - local	391,336	423,988
Electricity	1,191,454	865,167
Sewerage and waste disposal	210,497	184,988
Water	1,311,451	334,566
Uniforms	231,209	170,511
Grants expenses	3,572,541	3,111,535
Fair value loss	-	22,818
Standby Chopper	1,256,468	817,834
Pensioners	2,222,087	2,029,790
Special Projects	1,335,186	2,446,917
Indirect Cost	220,232	294,817
Chemicals	5,210	9,761
Sundries	1,292,061	1,251,534
	28,993,052	27,075,124

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Annual Financial Statements for the year ended 30 June 2010

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Figures in Rand	2010	2009
20. Employee related costs		
Basic	32,020,081	27,220,811
Bonus	2,003,208	2,002,681
Medical aid - company contributions	1,992,745	1,750,577
UIF	296,071	266,891
WCA	370,966	291,270
SDL	393,247	292,408
Other payroll levies	14,742	13,213
Leave pay provision charge	547,841	713,651
Post-employment benefits - Pension - Defined contribution plan	5,220,933	3,016,816
Travel, motor car, accommodation, subsistence and other allowances	2,383,475	1,830,854
Overtime payments	1,826,147	1,756,196
Long-service awards	235,740	160,824
Housing benefits and allowances	281,601	411,520
Provision for Post Retirement Health Benefits	1,687,317	2,415,340
Wages	1,585,466	951,521
Provision for Bonus	109,847	192,828
Group Insurance	559,054	495,777
Provident Fund	1,080,278	1,014,029
Provision for Long Service awards	248,193	344,057
Other Allowances	1,212,090	433,886
	53,869,020	45,872,732
Remuneration of the Municipal Manager		
Annual Remuneration	237,369	200,822
Performance and other bonuses	-	-
Travel, motor car, accommodation, subsistence and other allowances	61,576	1,088,945
Contributions to UIF, Medical and Pension Funds	30,046	41,985
	328,991	1,331,752
Remuneration of the Chief Financial Officer		
Annual Remuneration	379,944	422,400
Performance and other bonuses	19,517	128,632
Travel, motor car, accommodation, subsistence and other allowances	120,045	202,216
Contributions to UIF, Medical and Pension Funds	56,485	114,607
	575,992	867,855
Remuneration of Director - Technical Services		
Annual Remuneration	451,350	422,400
Performance and other bonuses	-	148,275
Travel, motor car, accommodation, subsistence and other allowances	202,860	237,826
Contributions to UIF, Medical and Pension Funds	104,855	105,779
Acting allowance as Municipal Manager	100,322	90,804
	859,387	1,006,084
Remuneration of Director - Auditing & Financial Modelling		
Annual Remuneration	470,880	-
Performance and other bonuses	-	-
Travel, motor car, accommodation, subsistence and other allowances	179,955	-
Contributions to UIF, Medical and Pension Funds	127,368	-
	778,203	-
Remuneration of the Chief Audit Executive		
Annual Remuneration	337,080	143,285
Performance and other bonuses	-	-

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	2010	2009
20. Employee related costs (continued)		
Contributions to UIF, Medical and Pension Funds	900	513
Acting allowance as Municipal Manager	33,843	-
	<u>371,831</u>	<u>143,778</u>
21. Remuneration of councillors		
Councillors	<u>3,250,438</u>	<u>3,306,520</u>
In-kind benefits		
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
Summary		
Executive Mayor	358,985	337,749
Deputy Executive Mayor	189,913	288,075
Speaker	273,519	316,162
Executive Committee Members	599,916	611,480
Other Councillors	768,325	653,425
Councillors' pension and medical aid contributions	163,102	166,981
Councillors' transport and other allowances	916,678	932,668
	<u>3,250,438</u>	<u>3,306,520</u>
22. Debt impairment		
Bad debts	<u>(3,502)</u>	<u>615,207</u>
23. Investment revenue		
Dividend revenue		
Other financial assets - Local	<u>4,278</u>	<u>30,410</u>
Interest revenue		
Bank	<u>1,333,082</u>	<u>2,267,258</u>
	<u>1,337,360</u>	<u>2,297,668</u>
24. Depreciation and amortisation		
Property, plant and equipment	<u>3,224,152</u>	<u>2,837,223</u>
25. Finance costs		
Non-current borrowings	758,039	1,010,088
Bank	-	319,456
Leases	<u>490,689</u>	<u>339,916</u>
	<u>1,248,738</u>	<u>1,669,440</u>
26. Auditors' remuneration		
Fees	<u>1,204,942</u>	<u>825,942</u>
Auditors Remuneration		
Current year audit fee	1,204,942	826,941
Amount paid - current year	<u>(1,204,942)</u>	<u>(825,941)</u>

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Figures in Rand	2010	2009
26. Auditors' remuneration (continued)	-	-
27. Contracted Services		
Millenium Waste Management	1,136,544	1,326,636
28. Grants and subsidies paid		
Grants paid to External organisations		
Total grants and subsidies paid	366,977	838,634
Other subsidies		
Total grants and subsidies paid	366,977	838,634
Grants to External Organisations		
Hot-Agter-Klip	36,700	-
VGK Caledon	5,500	-
Universiteit van Kaapstad	30,000	-
College of Cape Town	15,000	-
Northlink College	30,000	-
Hermanus Sjef Skool	15,000	-
Cape Academy of fashion Designs	15,000	-
University of Stellenbosch	47,900	-
University of the Western Cape	3,500	-
Liefdesnessie	-	7,000
Western Cape School Sport	10,000	-
Kapule Candles	3,569	-
OTM Swellendam	6,403	-
Builders Hardware	11,060	-
Community Gospel Outreach	11,900	-
Tools 4 Hire	972	-
TVM Konstruksie	560	-
Zola Organic Farming	15,000	-
Mispah School	-	6,000
Greyton Primere Skool	1,000	-
Swellengrebel Hotel	-	8,400
D Bogenhagen	-	6,000
Greenland Funeral services	-	2,400
Lukhanyo Primary School	-	2,000
Hermanus Hospital Board	-	1,500
Home Destroyers Football Club	-	6,600
Hawston Secondary School	-	4,260
Sjechinah Ministries	-	173,000
Waggel and Waggel School	-	4,000
SuldersterBejaerde Klub	-	4,000
Kindersorg Napier	-	6,000
De Rust Primary School	-	3,000
Langezent Soccer Klub	-	4,000
Struisbaai Speelskool	-	8,000
Struisbaai Rugby Klub	-	3,000
LBA Productions	-	850
Uzenzele Development Organisation	-	12,000
Cape Agulhas Communication	-	7,000
Nompumelelo Creche	-	12,000
Apostolic Faith Mission	45,000	7,400
Oase Diehsentrum	-	6,000
GGV Disability Forum	-	3,000
Ovukayibambe Youth	-	60,000

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28. Grants and subsidies paid (continued)		
Merindas Shuttle	-	3,116
Shalom Ministries	-	5,000
Word Tech Ministries	-	7,000
Masizane Smart Women Centre	-	30,000
Hawston Primary School	-	2,000
Riviersonderend Primary School	-	5,000
Community Police Forum	-	6,000
Pep Stores	-	6,058
Boland Krieket	-	23,600
Volle Evangelie Kerk	-	10,000
Overberg Marine	-	260
Nanti's Ilombi	-	40,000
Dennegeur Primary School	-	16,000
Bredasdorp Muslim Society	-	20,000
Child Welfare	-	21,800
Riviersonderend Rugby Club	-	15,000
Sea Hawks Rugby Club	-	20,000
St Johns Primary School	-	10,000
Malagas Inwoners Vereniging	-	20,000
Caledon Dart Club	-	7,500
Swellendam Advice Development Centre	-	30,000
Zwellhle RDP	-	30,000
Intaka Brickmaking	-	40,000
Caledon Cricket Club	-	7,500
Griekwa Vereniging	-	30,000
Sakhisizwe Skills Development Centre	-	20,000
Rangers Rugby Club	-	15,000
Indlezana Resource Development Centre	-	30,000
University of Stellenbosch	-	6,500
Testaarsdal Primary School	-	5,000
Kersgal Guest Farm	-	2,000
Kaap Aguihas Rugbyfees	-	2,000
L. Banton	2,000	-
Albert Myburgh Secondary School	1,000	-
Gansbaai Primere Skool	1,000	-
De Bron Primere Skool	1,000	-
Hugonote Kollage Wellington	15,000	-
Mount Pleasant Primere Skool	1,000	-
Klaas Johnson	12,210	-
Groenberg Sekondere Skool	1,000	-
Boulders warehouse	3,360	-
Sentraal Suid Koopersale Beperk	9,343	-
N van Wyk	80	-
Allerlei Werke & Fliese	900	-
Boland College	15,000	-
	368,977	838,634

29. Cash (used in) generated from operations

Deficit	(11,170,576)	(1,205,195)
Adjustments for:		
Depreciation and amortisation	3,224,152	2,937,223
Debt Impairment	(3,502)	615,207
Movements in Property, plant and equipment	-	600,516
Movement in Provision for Retirement Benefits	3,860,746	683,485
Movements in Property, plant and equipment	208	-
Changes in working capital:		
Inventories	202,195	540,560
Trade and other receivables from - non exchange transactions	(1,316,178)	3,491,129

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29. Cash (used in) generated from operations (continued)		
Consumer debtors	(204,065)	(34,349)
Trade and other payables from exchange transactions	(2,884,840)	2,942,822
VAT	33,309	25,369
Unspent conditional grants and receipts	765,612	858,987
	<u>(7,493,039)</u>	<u>11,456,774</u>

30. Contingencies

CONTINGENT LIABILITY

a Claim of R37 088 was made against the municipality by Mr FP Lotter. He claimed his car was damaged, because of the negligence of an ODM employee. On year end the case was still pending.

Fijnbosch Farm CC and R Hanel instituted a claim against the municipality of R131 000 for alleged damages suffered in a veld fire. Estimated legal cost exposure is R20 000. This case is still pending.

CONTINGENT ASSET

The Municipality is not aware of any contingent assets

31. Related parties

Relationships

Compensation to members of key management

Refer to note 20

Compensation to councillors

Refer to note 21

Key Information

The following persons having the authority and responsibility for planning, directing and controlling the activities of the municipality, directly or indirectly:

The Executive Mayor, The Speaker, Mayoral committee members, The Accounting Officer, The Director for Technical Services and the Chief Financial Officer.

The municipality has been placed under administration on 14 July 2010 by the provincial legislature, due to the council's failure to approve the 2010/2011 Budget before end of June 2010. The council has been resolved and the MEC for local government has appointed an administrator to take over the duties and responsibilities of the dissolved council. The suspended councillors challenged the MEC's decision in the High Court. The Court ruled in favour of the suspended councillors. The MEC appealed the ruling in the Bloemfontein Supreme Court. The case is still pending.

Currently the Director for Technical services is suspended and he awaits a disciplinary hearing.

32. Comparative figures

No comparative figures have been reclassified.

33. Risk management

The activities of the municipality expose it to variety of financial risk, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the municipality's performance.

Foreign exchange risk

The municipality does not engage in foreign currency transactions.

Price risk

The municipality is exposed to equity securities price risk because of investments held by the municipality and classified as

OVERBERG DISTRICT MUNICIPALITY

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33. Risk management (continued)

at fair value through profit or loss.

The table below summarises the impact of increases/decreases of the indexes on the municipalities surplus/loss for the year. The analysis is based on the assumption that the equity indexes has increased/decreased by 10% with all other variables held constant and all the municipalities equity instruments moved according to the historical correlation with the Index.

Financial Instrument

Unlisted Investments

10% (2009 - 10%) Increase in market indexes	14,545	11,978
10% (2009 - 10%) Decrease in market indexes	(14,545)	(11,978)

Interest rate risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent of changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

1% (2009 - 0.5%) Increase/(Decrease) in Interest Indexes	(111,705)	(12,052)
--	-----------	----------

Credit risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligations and cause the municipality to incur a financial loss.

Credit risk consists mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

The entity only deposits cash with major banks with high quality credit standing. Grants are received from higher order levels of government. The credit risk pertaining to these financial assets are considered to be low.

Trade and other debtors are disclosed net after provisions are made for impairment and bad debts.

Trade debtors comprise comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers, but may be difficult to apply in practice. In the case of debtors whose account become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

Financial assets exposed to credit risk at year end are as follows:

Trade receivables from exchange transactions (net of provision)	375,257	167,690
Other receivables from non-exchange transactions (net of provision)	2,426,344	1,559,058
	<u>2,800,601</u>	<u>1,726,748</u>

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

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Figures in Rand	2010	2009
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33. Risk management (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Trade and other receivables (cost)	2,875,238	1,559,058
Consumer debtors	375,257	167,690
Call Investment Deposit	4,098,345	5,585,198
Bank balances	798,238	10,972,239
Cash on hand	4,000	3,490
	<u>8,151,076</u>	<u>18,287,675</u>

Financial Instruments

In accordance with IAS 39.09 the financial sets of the municipality are classified as follows:

Financial Assets	Classification		
Investments			
Unlisted investments	At fair value through profit/loss	145,452	119,784
		-	-
Consumer Debtors			
Trade receivables from exchange transactions	Loans and Receivables	375,257	167,690
Other receivables from non-exchange transactions	Loans and Receivables	2,425,344	1,559,058
		-	-
Short-term Investment Deposits			
Call Deposits	Held to maturity	4,098,345	5,585,198
		-	-
Bank Balances and Cash			
Bank Balances	Held to maturity	798,238	10,972,239
Cash Flows and Advances	Held to maturity	4,000	3,490
		-	-
		<u>7,846,636</u>	<u>18,407,459</u>

SUMMARY OF FINANCIAL ASSETS

Held to maturity	4,900,583	16,560,927
At fair value through profit/loss	145,452	119,784
Loans and receivables	2,800,601	1,726,748
	<u>7,846,636</u>	<u>18,407,459</u>

Financial Liability	Classification		
Long-term Liabilities			
Annuity Loans	At amortised cost	5,192,222	7,320,726
Capitalised Lease Liability	At amortised cost	2,418,478	1,910,261
		-	-
Trade Payables			
Trade creditors	At amortised cost	1,625,163	4,770,469
Deposits	At amortised cost	41,716	43,368

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

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Figures in Rand		2010	2009
33. Risk management (continued)			
Unspent Conditional Grants and Receipts		-	-
Other Spheres of Government	At amortised cost	4,266,895	3,501,383
Current Portion of Long-term Liabilities		-	-
Annuity Loans	At amortised cost	1,871,947	2,129,583
Capitalised Lease Liability	At amortised cost	1,005,401	414,551
		<u>16,521,822</u>	<u>20,090,359</u>
SUMMARY OF FINANCIAL LIABILITY			
At amortised cost		<u>16,521,822</u>	<u>20,100,424</u>
34. Going concern			
We draw attention to the fact that at 30 June 2010, the municipality had accumulated deficits of (12,658,415) and that the municipality's total liabilities exceed its assets by (11,900,329).			
The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.			
35. Unauthorised expenditure			
Opening Balance		265,155	-
Overspending on the vote: Public Safety		1,077,192	137,240
Overspending on the vote: Finance & Admin		-	2,683,150
Overspending on the vote: Executive Council		-	64,100
Overspending on the vote: Environmental Health		1,299,662	334,001
Overspending on the vote: Planning & Development		1,070,943	75,200
Overspending on the vote: Waste Management		48,902	301,837
Overspending on the vote: Other		3,866	183,771
Overspending on the vote: Community and Social Services		473,025	-
Overspending on the vote: Sport and Recreation		1,043,135	-
Approved by Council or condoned		(5,281,900)	(3,513,944)
		<u>-</u>	<u>265,155</u>
Details of Unauthorised expenditure – Current year			
During the year the municipality has to transfer financial resources between the different votes to maintain effective service delivery. The municipality had also made appointments of staff outside of its operational budget. Revenue was also not collected as expected during the year. Rentals was budgeted for in the operational budget, but was on year end capitalised as an asset.	Disciplinary steps taken/criminal proceedings Investigation needed by a council committee		5,016,745
36. Fruitless and wasteful expenditure			
Opening balance		1,637,104	1,637,104
Fruitless and wasteful expenditure current year		-	1,045,072
Approved by Council or condoned		-	(1,045,072)
		<u>1,637,104</u>	<u>1,637,104</u>

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Annual Financial Statements for the year ended 30 June 2010

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Figures in Rand	2010	2009
37. Irregular expenditure (continued)		
Opening balance	3,020,253	3,019,229
Add: Irregular Expenditure - current year (awarding condonement)	934,989	3,702,927
Less: Amounts condoned or written off by Council	(3,955,242)	(3,701,903)
	<u>-</u>	<u>3,020,253</u>

Details of Irregular Expenditure – Current year

	Disciplinary steps taken/criminal proceedings	
Scrapping of Assets not approved by council	None	<u>934,989</u>

38. In-kind donations and assistance

The Municipality did not receive any in-kind donations and assistance.

39. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	216,331	133,751
Amount paid - current year	<u>(216,331)</u>	<u>(133,751)</u>
	<u>-</u>	<u>-</u>

PAYE and UIF

Current year subscription / fee	5,903,138	4,392,971
Amount paid - current year	<u>(5,903,138)</u>	<u>(4,392,971)</u>
	<u>-</u>	<u>-</u>

Pension and Medical Aid Deductions

Current year subscription / fee	6,411,951	5,391,503
Amount paid - current year	<u>(6,411,951)</u>	<u>(5,391,503)</u>
	<u>-</u>	<u>-</u>

VAT

VAT payable	<u>191,010</u>	<u>157,701</u>
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VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

During the year no Councillors' had arrear accounts outstanding.

40. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	<u>7,610,700</u>	<u>9,230,987</u>
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Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. The Annully Loans carry interest of between 0 % and 15 % and will be repaid by 2020

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

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2010

2009

41. Provisions

Reconciliation of provisions - 2010

	Opening Balance	Additions	Total
Provision for bonus	938,885	111,030	1,049,915
Post Retirement - Health Care Benefits	33,204,939	1,687,317	34,892,256
Long Service Awards	2,408,787	248,193	2,656,980
Provision for Shortfall on Pension Fund	-	1,814,206	1,814,206
	36,552,611	3,860,746	40,413,357

Reconciliation of provisions - 2009

	Opening Balance	Additions	Total
Provision for bonus	746,259	192,626	938,885
Post Retirement - Health Care Benefits	32,836,693	388,246	33,204,939
Long Service Awards	2,288,174	122,613	2,408,787
	35,869,126	683,485	36,552,611
Non-current liabilities		36,648,311	36,613,728
Current liabilities		3,765,046	938,885
		40,413,357	36,552,611

Non-Current provision

In terms of the rules of the medical aid scheme the municipality has an obligation to provide post retirement medical aid contributions to all former employees that qualify for this benefit.

Number of retired employees receiving this benefit	96	92
Amount paid to medical aid on behalf of these retired employees	2,222,097	2,029,790

41.1. Provision for Post Retirement Benefits

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	109	121
Continuation members (e.g. Retirees, widows, orphans)	96	92
	205	213

The liability in respect of past service has been estimated to be as follows:

In-service members	8,871,495	8,537,652
Continuation members	26,920,761	24,667,287
	34,892,256	33,204,939

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas
Hosmed
LA Health
Key Health, and
SAMWU Medical Aid

The Current-service Cost for the ensuing year is estimated to be R658 428, whereas the Interest Cost for the next year is estimated to be R3 120 814

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Notes to the Annual Financial Statements

Figures in Rand	2010	2009
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41. Provisions (continued)

Key actuarial assumptions used:

i) Rate of Interest

Discount rate	9.21 %	9.21 %
Health Care Cost Inflation Rate	7.39 %	7.39 %
Net Effective Discount Rate	1.89 %	1.69 %

ii) Mortality rates

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

iii) Normal retirement age

The normal retirement age for employees of the municipality is 63 years.

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	-	-
Fair value of plan assets	-	-
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present Value of unfunded obligations	34,892,256	33,204,939
	<u>34,892,256</u>	<u>33,204,939</u>

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per IAS 19, Employee Benefits, paragraph 155 (a).

Reconciliation of present value of fund obligation

Present value of fund obligation at the beginning of the year	33,204,939	32,836,693
Current service cost	602,924	689,483
Interest Cost	2,971,765	3,502,999
Benefits Paid	(1,687,372)	(1,777,142)
Actuarial (gains)/losses	-	(2,047,094)
	<u>34,892,256</u>	<u>33,204,939</u>

The effect of a 1% movement in the assumed rate of health care cost inflation is as follows:

	Increase	Decrease
Effect on the aggregate of the current service cost and interest cost components	752,200	487,500
Effect on the defined benefit obligation	37,445,000	29,670,000
	<u>38,197,200</u>	<u>30,157,500</u>

41.2 Provision for Long Service Awards

The Long Service Bonus plans are defined benefit plans. As at year end, 295 employees were eligible for Long Service Bonuses.

The Future-service Cost for the ensuing year is estimated to be R242 499, whereas the Interest- Cost for the next year is estimated to be R233 394.

Key actuarial assumptions used:

i) Rate of Interest

9.12 %	9.12 %
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OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

Notes to the Annual Financial Statements

Figures in Rand	2010	2009
41. Provisions (continued)		
	6.60 %	6.60 %
	2.37 %	2.37 %

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	-	-
Fair value of plan assets	-	-
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present value of unfunded obligations	2,656,980	2,408,787
	<u>2,656,980</u>	<u>2,408,787</u>

Reconciliation of present value of fund obligation:

Present value of fund at the beginning of the year	2,408,787	2,286,174
Current service cost	222,226	226,887
Interest Cost	211,478	244,092
Benefits paid	(186,511)	(128,932)
Actuarial (gains)/losses	-	(221,444)
	<u>2,656,980</u>	<u>2,408,787</u>

The effect of a 1% movement in the assumed rate of salary inflation is as follows:

	Increase	Decrease
Effect on the aggregate of the current service cost and interest cost components	504,916	440,519
Effect on the defined benefit obligation	2,576,000	2,268,000

41.3. Retirement funds

CAPE JOINT PENSION FUND

This fund comprises a defined benefit section and a defined contribution section. The Cape Joint Pension Fund is a multi-employer plan and the contribution rate payable is 9%, by the members and 18% by Council. In respect of the defined benefit section the last valuation performed for the year ended 30 June 2008 (30 June 2007) revealed that the fund had an actuarial surplus of R182,733 (R 200,209) million with a funding level of 106,5% (107,1%), and is in a sound financial state as at 30 June 2008.

CAPE JOINT RETIREMENT FUND

This fund comprises a defined benefit section and a defined contribution section. The contribution rate paid by the members (9,0%) and Council (18,0%) is sufficient to fund the benefits accruing from the fund in future. In respect of the defined contribution section the last valuation performed for the year ended 30 June 2008 (30 June 2007) revealed that the fund had an actuarial surplus of R12,033 (R 20,22) million with a funding level of 103,3% (105,3%) and is in a sound financial position as at 30 June 2008.

MUNICIPAL COUNCILLORS PENSION

The Municipal Councillors Pension Fund operates as a defined contribution scheme. The contribution rate paid by the members (13,75%) and council (16%). The financial statements of the fund have not been audited since June 2006 and the financial position of the fund is not available.

RETIREMENT BENEFIT INFORMATION

Council employees contribute to the Cape Joint Municipal Pension Fund, SALA and SAMWU National Provident Fund which is a defined contribution fund. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs. Full actuarial valuations are performed at least every five years. The last valuations was done on 30 June 2008.

OVERBERG DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2010

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Figures in Rand

42. Statement of comparative and actual information

2010

	Original budget	Budget adjustments (i.e. s28 and s31 of the MFMA)	Virement (i.e. council approved)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Financial Performance									
Property rates	45,500	-	-	4,140,145	4,441,070	-	(300,925)	DIV/0 %	- %
Service charges	4,417,812	4,140,145	-	1,987,560	1,337,360	-	650,200	107 %	101 %
Investment revenue	1,987,500	1,987,560	-	75,772,700	70,111,517	-	5,661,083	93 %	67 %
Transfers recognised - operational	74,261,700	75,772,700	-	21,498,028	14,006,591	-	7,491,435	65 %	94 %
Other own revenue	21,500,278	21,498,026	-	103,398,431	89,896,638	-	13,501,793	87 %	65 %
Total revenue (excluding capital transfers and contributions)	102,212,790	103,398,431	-	103,398,431	89,896,638	4,326,685	11,804,595	128 %	88 %
Employee costs	(43,725,223)	(42,064,425)	-	(42,064,425)	(58,869,020)	-	(249,562)	93 %	123 %
Remuneration of councillors	(4,324,524)	(3,500,000)	-	(3,500,000)	(3,250,438)	-	(3,502)	DIV/0 %	75 %
Debt impairment	-	-	-	-	3,502	-	-	DIV/0 %	DIV/0 %
Depreciation and asset impairment	(2,634,100)	(2,590,330)	-	(2,590,330)	(3,224,152)	633,822	633,822	124 %	122 %
Finance charges	(1,943,500)	(1,192,500)	-	(1,192,500)	(1,248,738)	56,238	56,238	105 %	64 %
Transfers and grants	(300,000)	(510,000)	-	(510,000)	(366,977)	-	(148,028)	72 %	122 %
Other expenditure	(49,236,410)	(53,413,608)	-	(53,413,608)	(39,124,391)	-	(14,289,217)	73 %	79 %
Total expenditure	(102,163,857)	(103,270,863)	-	(103,270,863)	(101,080,214)	5,016,745	(2,190,649)	98 %	99 %
Surplus/(Deficit)	48,933	127,568	-	127,568	(11,183,576)	-	11,311,144	(8,767)%	(22,855)%

OVERBERG DISTRICT MUNICIPALITY

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	Original budget	Budget adjustments (i.e. s28 and s31 of the MFMA)	Virement (i.e. council approved)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Contributions recognised - capital and contributed assets	-	-	-	-	13,000	-	(13,000)	DIV/0 %	DIV/0 %
Surplus (Deficit) after capital transfers and contributions	48,933	127,568	-	127,568	(11,170,576)	-	11,298,144	(8,757)%	(22,828)%
Surplus/(Deficit) for the year	48,933	127,568	-	127,568	(11,170,576)	-	11,298,144	(8,757)%	(22,828)%

OVERBERG DISTRICT MUNICIPALITY

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	Original budget	Budget adjustments (i.e. s28 and s31 of the MFMA)	Virement (i.e. council approved)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget of original budget	Actual outcome as % of original budget
Capital expenditure and funds sources									
Total capital expenditure	(2,750,000)	(2,750,000)	-	(2,750,000)	(3,456,34)	-	706,349	126 %	126 %

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Figures in Rand	2010	2009
43. Deviations and Minor breaches		
Deviations approved by Accounting Officer in terms of SCM regulations is set out in annexure G	1,012,039	91,420

APPENDIX A

OVERBERG DISTRICT MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2010

EXTERNAL LOANS	Loan Rate	Loan Number	Redeemable	Balance at 2009/06/30	Received during the period	Redeemed written off during the period	Balance at 2010/06/30	Carrying Value of Property, Plant & Equip.	Other Costs in accordance with the MFMA
				R	R	R	R	R	R
LONG-TERM LOANS									
Total long-term loans				-	-	-	-	-	-
LIABILITY LOAN									
ABSA	8.50%		30/06/2010	58,545		58,545	-	-	-
ABSA	8.50%		30/06/2010	26,266		26,266	-	-	-
ABSA	8.50%		30/06/2010	96,045		96,045	-	-	-
ABSA	8.50%		30/06/2010	46,857		46,857	-	-	-
ABSA	8.50%		30/06/2010	79,114		79,114	-	-	-
INCA	14.21%		30/06/2011	2,661,225		1,238,423	1,421,802	-	-
INCA	9.15%		31/12/2009	80,024		80,024	-	-	-
INCA	9.30%		31/12/2014	2,848,694		418,009	2,430,685	-	-
INCA	9.45%		31/12/2018	1,423,947		84,212	1,339,735	-	-
				-	-	-	-	-	-
Total Liability Loans				7,320,727	-	2,126,805	5,192,222	-	-
GOVERNMENT LOANS									
Total Government Loans				-	-	-	-	-	-
LEASE LIABILITY									
Vehicles and Equipment				-	-	-	-	-	-
				1,910,261	508,217	-	2,418,478	-	-
				1,910,261	508,217	-	2,418,478	-	-
				-	-	-	-	-	-
TOTAL EXTERNAL LOANS				9,230,938	508,217	2,126,805	7,610,700	-	-

APPENDIX B

ACCOUNTS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

Land and Building	Original Value		Accumulated Depreciation		Carrying Amount		Revaluation		Accumulated Depreciation		Carrying Amount	
	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation
Land	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-
Buildings	1,000,000	1,000,000	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Plant and equipment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Intangible assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	6,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000

* Includes depreciation of assets reported in Note 35.

APPENDIX B

STATE MINISTRIALTY: QUALITIES OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

Land and Building	Original Value		Accumulated Depreciation		Carrying Amount		Revaluation		Accumulated Depreciation		Carrying Amount	
	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation	Original Value	Accumulated Depreciation
Land	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-	3,071,274	-
Buildings	1,000,000	1,000,000	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Plant and equipment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Intangible assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other assets	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	6,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000	3,071,274	3,000,000

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	Cost					Accumulated Depreciation			Opening Value
	Opening Balance	Residual Value Opening Bal	Additions	Under Construction	Majority	Residual Value Depreciable	Closing Balance	Depreciable Additions	
Executive & Council	815,307	83,700	8	-	83,804	-	794,792	58,542	607,250
Finance & Admin.	8,378,686	332,200	325,144	-	487,590	219,209	8,325,181	677,113	4,000,093
Planning & Development	145,263	-	-	-	2,046	-	548,228	16,038	85,323
Fire	-	-	-	-	-	-	-	-	-
Community & Social Services	110,473	537,000	-	-	1,261	-	563,252	7,122	202,932
Housing	-	-	-	-	-	-	-	-	-
Public Safety	7,579,813	423,200	812,168	-	448,050	-	8,528,381	632,787	6,598,274
Sports & Recreation	27,859,841	423,034	302,495	-	400,249	-	28,982,941	1,002,879	15,786,781
Environmental Protection	784,740	86,578	1,411,802	-	178,435	-	2,425,124	134,265	7,745,187
Marks Management	8,812,270	-	348,902	-	796	-	8,186,034	314,244	6,485,522
Road Transport	27,490	-	-	-	-	-	21,430	7,062	12,854
Water	17,846	-	-	-	-	-	17,846	593	7,378
Electricity	182,889	-	-	-	-	-	187,800	3,793	142,733
Other	250,264	78,300	1	-	-	-	328,808	10,945	258,511
TOTAL	58,884,148	1,320,749	3,496,351	-	1,578,132	270,250	54,940,336	2,790,225	35,632,282

APPENDIX D
OVERBERG DISTRICT MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 June 2010

2009 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)		2010 Actual Income	2010 Actual Expenditure	2010 Surplus/ (Deficit)
R	R	R		R	R	R
1,451,143	10,493,828	-9,042,685	Executive & Council	2,054,337	10,782,021	-8,727,684
41,884,864	16,818,889	25,065,975	Finance & Admin	43,540,333	18,606,578	24,933,755
317,350	727,117	-370,767	Planning & Development	285,192	4,018,577	-3,734,485
90,202	348,548	-258,346	Health	118,919	93,814	25,105
1,315,480	2,723,704	-1,408,224	Community & Social Services	1,718,135	2,887,873	-1,169,738
-	-	-	Housing	-	-	-
335,741	10,893,092	-10,557,351	Public Safety	401,192	13,708,547	-13,307,355
9,635,980	8,200,287	1,435,693	Sport & Recreation	10,054,473	10,916,287	-861,814
90,302	7,082,978	-6,992,676	Environmental Protection	77,698	7,389,542	-7,311,844
0,862,930	2,629,117	-1,766,187	Waste Management	4,040,189	2,866,637	1,173,552
32,724,868	32,635,635	89,233	Road Transport	28,802,870	31,575,735	-2,772,865
-	-	-	Water	-	-	-
-	-	-	Electricity	-	-	-
70,628	1,408,249	-1,337,621	Other	1,269	188,250	-186,981
<u>81,908,486</u>	<u>84,628,383</u>	<u>-2,719,897</u>	Sub Total	<u>81,852,487</u>	<u>103,023,862</u>	<u>-21,171,375</u>
-	-1,713,600	1,713,600	Less Inter-Dep Charges	1,942,849	1,942,849	-
<u>81,908,486</u>	<u>82,914,783</u>	<u>-1,006,297</u>	Total	<u>83,795,336</u>	<u>104,966,711</u>	<u>-21,171,375</u>
-	-	-	Add: Share of Associate	-	-	-
-	-	-1,006,297		-	-	-1,006,297

APPENDIX E(1)

OVERBERG DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009

	2009 Actual (R)	2009 Budget (R)	2009 Variance (R)	2009 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget (Explanations to be recorded)
REVENUE					
Property rates	0	0	0	0%	
Property rates - penalties imposed and collection charges	0	0	0	0%	
Service charges	4,371,979	4,305,923	66,056	2%	
Regional Service Levies - lumpsum	0	240,850	-240,850	-100%	
Regional Service Levies - remuneration	0	0	0	#DIV/0!	
Rental of facilities and equipment	9,442,393	8,728,943	713,450	8%	
Interest earned - external investments	2,287,259	2,556,000	-268,742	-11%	
Interest earned - outstanding debtors	16,983	2,300	14,683	639%	
Dividends received	30,410	0	30,410	0%	
Fines	0	0	0	#DIV/0!	
Bad Debts Recovered	0	0	0	100%	
Licences and permits	3,720	0	3,720	0%	
Income for agency services	3,493,000	3,259,100	233,900	0%	
Government grants and subsidies	58,684,324	75,048,980	-16,364,656	-8%	
Other income	1,374,631	2,899,015	-1,524,384	-53%	
Public contributions, donated/contributed PPE	250	0	250	0%	
Gains on disposal of property, plant and equipment	0	0	0	0%	
Actualised Gains	2,268,538	0	2,268,538	0%	
Change in fair value	0	0	0	100%	
Total Revenue	91,209,486	97,047,695	-5,838,209	-6%	
EXPENDITURE					
Executive & Council	10,493,829	12,450,202	-1,956,373	-16%	
Finance & Admin	16,816,869	14,133,739	2,683,130	19%	
Planning & Development	727,117	952,435	-225,318	-24%	
Health	346,546	120,000	226,546	0%	
Community & Social Services	2,723,704	3,404,357	-680,653	-20%	
Housing	0	0	0	0%	
Public Safety	10,693,082	10,755,852	-62,770	1%	
Sport & Recreation	9,200,207	10,095,992	-895,785	-9%	
Environmental Protection	7,062,378	7,640,716	-578,338	0%	
Waste Management	2,523,117	2,239,890	283,227	13%	
Road Transport	32,635,635	38,471,010	-5,835,375	-15%	
Water	0	0	0	#DIV/0!	
Electricity	0	0	0	#DIV/0!	
Other	1,405,249	1,221,478	183,771	0%	
Inter-departmental charges	-1,713,680	-4,426,820	2,713,140	0%	
Total Expenditure	93,114,679	98,958,749	-5,844,070	-6%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	-1,905,193	82,942	-1,988,135	-1533%	

APPENDIX E(1)

**OVERBERG DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2010**

	2010 Actual (R)	2010 Budget (R)	Variance (R)	Variance (%)	Explanation of Significant Variances greater than 10% versus Budget (Explanations to be recorded)
REVENUE					
Property rates	-	-	0	0%	
Property rates - penalties imposed and collection charges	-	-	0	0%	
Service charges	4,441,071	4,140,145	300,926	7%	
Regional Service Levies - turnover	-	-	0	#DIV/0!	
Regional Service Levies - remuneration	-	-	0	#DIV/0!	
Rental of facilities and equipment	9,824,842	10,382,620	-557,778	-5%	
Interest earned - external investments	1,388,082	1,985,000	-596,918	-30%	Loss Investments due to increase in operating expenditure
Interest earned - outstanding debtors	1,480	2,560	-1,070	-42%	
Dividends received	4,278	-	4,278	0%	Special Dividend declared by Overberg Agri
Fines	-	-	0	#DIV/0!	
Bad Debt Recovered	-	-	0	100%	
Licences and permits	4,557	-	4,557	0%	
Income for agency services	3,101,309	3,293,169	-191,860	0%	
Government grants and subsidies	70,111,617	75,632,700	-5,521,083	-7%	
Other income	1,074,392	7,982,297	-6,907,905	-87%	Expected Income did not materialised
Public contributions, donated/contributed PPE	13,000	-	13,000	0%	
Gains on disposal of property, plant and equipment	-	-	-	0%	
Change in fair value	0	-	0	100%	
Total Revenue	89,909,638	103,339,431	-13,429,793	-13%	
EXPENDITURE					
Executive & Council	10,762,020	11,240,881	-478,861	-4%	
Finance & Admin	16,636,578	21,234,389	-4,597,811	-21%	
Planning & Development	4,019,677	2,948,734	1,070,943	36%	
Health	93,914	120,000	-26,086	-22%	
Community & Social Services	2,887,873	2,864,740	23,133	1%	
Housing	-	-	0	0%	
Public Safety	13,706,547	13,026,523	670,024	5%	
Sport & Recreation	10,916,297	10,153,647	762,650	8%	
Environmental Protection	7,389,542	7,943,887	-554,345	-7%	
Waste Management	2,855,637	3,669,801	-1,014,164	-28%	Cell 3 process delayed due to SCM procedures still to be followed
Road Transport	31,575,736	32,992,200	-1,416,464	-4%	
Water	-	-	0	0%	
Electricity	-	-	0	0%	
Other	169,248	165,353	3,895	2%	
Inter-departmental Charges	-1,942,849	-3,297,500	1,354,651	-25%	
Total Expenditure	101,080,212	103,273,174	-2,192,962	-2%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	-11,170,574	123,257	-11,293,831	-9010%	

OVERBERG DISTRICT MUNICIPALITY

ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2010

	2010 Actual	2010 Anticipated Value	2010 Under Construction	2010 Total Additions	2010 Budget	2010 Variance	2010 Explanation of Significant Variances
	R	R	R	R	R	R	% (Explanations to be recorded)
Executive & Council	8	-	-	8	-	\$	0.00%
Finance & Admin	375,114	-	-	275,314	1,705,000	(1,329,886)	-78.00% House in Caledon afterwards allocated to Health Dept
Planning & Development	-	-	-	-	-	-	0.00%
Health	-	-	-	-	-	-	0.00%
Community & Social Services	-	-	-	-	-	-	0.00%
Housing	-	-	-	-	-	-	0.00%
Public Safety	812,168	-	-	812,168	405,000	407,168	100.54% Items capitalised from Operating expenses afterwards
Spot & Recreation	508,495	-	-	508,495	228,000	280,495	123.02% Items capitalised from Operating expenses afterwards
Environmental Protection	1,411,682	-	-	1,411,682	112,000	1,299,682	1169.41% House in Caledon afterwards allocated to Health Dept
Aviation Management	348,802	-	-	348,802	300,000	48,802	16.30%
Road Transport	-	-	-	-	-	-	0.00%
Water	-	-	-	-	-	-	0.00%
Electricity	-	-	-	-	-	-	0.00%
Other	-	-	-	-	-	-	0.00%
Total	3,455,349	-	-	3,455,349	2,750,000	705,349	25.62%

APPENDIX F

**OVERBERG DISTRICT MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Grant Description	Balance at 30-Jun-09 R	Contributions during year R	Interest on Investments	Operating expenditure during year Transferred to Revenue R	Capital expenditure during year Transferred to Revenue R	Transfers	Balance at 30-Jun-10 R
Municipal Infrastructure Grant	64,244			0			64,244
Municipal Systems Improvement Grant	497,006	735,000		731,579			500,427
Finance Management Grant	1,037,986	750,000		846,065			941,921
Napier Tourism Office	1,238		73				1,311
Local Economic Development	18,046		1,070				19,116
Non-motorised transport	6,127		363				6,490
Spatial development framework	753,789		44,680				798,469
SETA training fund	593,925	156,096		289,632			400,390
Tourism routes	52,112		3,089				55,201
Human rights programme	85,847		5,088				90,935
Public Contributions Uitenhage Sewerage	22,346						22,346
Fire brigade capacity building	0						-
Fire brigade ABI contribution	0						-
Kogelberg Biosphere	22,011		1,305				23,316
Breede River spatial development framework	12,108		718				12,826
Tourism workshops	17,288		1,025				18,313
Tourism projects	97,677		5,790				103,467
Housing training	189,936		11,258				201,194
SEDA funds	0						-
Global funds	0						-
Umsobomvu funds	0						(0)
CDW funds	52,913		1,756		50,000		4,669
Alcohol abuse	36,784				34,525		2,259
Management Support Grant		1,000,000			0		-
Bulk waste water infrastructure							1,000,000
Unspent conditional grants and receipts - End of year	3,501,383	2,641,096	76,215	1,951,800	-	-	4,266,894

APPENDIX A
OVERSIGHT DISTRICT ACCOUNTABILITY
DEVIATION FROM ESTIMATED BUDGET FOR JUNE 2018

Month	Description	Reason	Approved	00 - 00-000	01-000 - 010-000	010-000 - 010-000	020-000 - 020-000	Total
July 2007	Issuance of vehicles	Exceeding period 2007-01-01	Yes	-	-	14,177.54	-	14,177.54
	Supply of parts	Emergency	Yes	-	5,007.43	-	-	5,007.43
	Parts	Sole agent	Yes	-	-	10,964.13	-	10,964.13
	Parts	Sole agent	Yes	-	1,785.43	-	-	1,785.43
	Motor vehicle parts	Sole agent	Yes	-	4,800.87	-	-	4,800.87
	Motor vehicle parts	Sole agent	Yes	-	-	70,000.00	-	70,000.00
	Motor vehicle parts	Sole agent	Yes	-	5,217.64	-	-	5,217.64
				-	21,194.41	46,094.15	-	67,288.56
August 2008	Supply of parts	Emergency	Yes	-	3,116.00	-	-	3,116.00
	Supply of parts	Sole agent	Yes	-	3,891.00	-	-	3,891.00
	Supply of parts	Sole agent	Yes	-	-	20,000.00	-	20,000.00
	Supply of parts	Sole agent	Yes	-	-	-	25,500.00	25,500.00
	Supply of parts	Sole agent	Yes	-	6,335.00	-	-	6,335.00
				-	14,451.00	20,000.00	25,500.00	59,951.00
September 2008	Supply of parts	Sole agent	Yes	-	6,386.00	-	-	6,386.00
	Supply of parts	Sole agent	Yes	-	4,247.00	-	-	4,247.00
				-	10,633.00	-	-	10,633.00
October 2009	Supply of parts	Sole agent	Yes	-	3,710.00	-	-	3,710.00
	Supply of parts	Sole agent	Yes	-	4,454.00	-	-	4,454.00
	Supply of parts	Sole agent	Yes	-	2,217.50	-	-	2,217.50
	Supply of parts	Sole agent	Yes	-	8,741.00	-	-	8,741.00
	Supply of parts	Sole agent	Yes	-	3,034.70	-	-	3,034.70
	Supply of parts	Sole agent	Yes	-	7,115.00	-	-	7,115.00
	Supply of parts	Sole agent	Yes	-	7,115.00	-	-	7,115.00
	Supply of parts	Sole agent	Yes	-	3,274.96	17,714.00	-	20,988.96
	Supply of parts	Sole agent	Yes	-	3,715.00	-	-	3,715.00
	Supply of parts	Sole agent	Yes	-	-	11,477.50	-	11,477.50
	Supply of parts	Sole agent	Yes	-	3,800.00	-	-	3,800.00
	Supply of parts	Sole agent	Yes	-	-	18,201.00	-	18,201.00
				-	43,954.47	40,111.00	-	84,065.47
November 2008	Supply of parts	Sole agent	Yes	-	2,111.24	-	-	2,111.24
	Supply of parts	Sole agent	Yes	-	2,110.00	-	-	2,110.00
	Supply of parts	Sole agent	Yes	-	7,215.53	-	-	7,215.53
	Supply of parts	Sole agent	Yes	-	7,640.00	-	-	7,640.00
	Supply of parts	Sole agent	Yes	-	2,608.23	-	-	2,608.23
				-	17,524.97	-	-	17,524.97
December 2008	No deviation for this month			-	-	-	-	-
January 2010	Supply of parts	Emergency	Yes	-	8,156.48	-	-	8,156.48
	Supply of parts	Emergency	Yes	-	2,500.00	-	-	2,500.00
	Supply of parts	Emergency	Yes	-	3,200.00	-	-	3,200.00
	Supply of parts	Emergency	Yes	-	6,456.00	-	-	6,456.00
	Supply of parts	Emergency	Yes	-	1,661.00	-	-	1,661.00
	Supply of parts	Emergency	Yes	-	6,116.00	-	-	6,116.00
	Supply of parts	Emergency	Yes	-	-	11,164.00	-	11,164.00
	Supply of parts	Emergency	Yes	-	2,319.55	-	-	2,319.55
	Supply of parts	Emergency	Yes	-	2,633.00	-	-	2,633.00
				-	32,441.03	11,164.00	-	43,605.03
February 2010	Supply of parts	Sole agent	Yes	-	5,100.00	-	-	5,100.00
	Supply of parts	Sole agent	Yes	-	4,150.00	-	-	4,150.00
	Supply of parts	Sole agent	Yes	-	-	-	34,454.00	34,454.00
	Supply of parts	Sole agent	Yes	-	9,700.00	-	-	9,700.00
	Supply of parts	Sole agent	Yes	-	3,810.00	-	-	3,810.00
	Supply of parts	Sole agent	Yes	-	5,211.44	-	-	5,211.44
	Supply of parts	Sole agent	Yes	-	3,860.00	-	-	3,860.00
				-	30,531.44	-	34,454.00	64,985.44
March 2010	Supply of parts	Sole agent	Yes	-	4,490.00	-	-	4,490.00
	Supply of parts	Sole agent	Yes	-	2,544.00	-	-	2,544.00
	Supply of parts	Sole agent	Yes	-	2,760.00	-	-	2,760.00
	Supply of parts	Sole agent	Yes	-	5,742.00	-	-	5,742.00
	Supply of parts	Sole agent	Yes	-	7,490.00	-	-	7,490.00
	Supply of parts	Sole agent	Yes	-	2,700.00	-	-	2,700.00
	Supply of parts	Sole agent	Yes	-	-	-	44,714.00	44,714.00
	Supply of parts	Sole agent	Yes	-	4,889.00	-	-	4,889.00
	Supply of parts	Sole agent	Yes	-	-	-	60,700.00	60,700.00
				-	32,311.00	-	105,414.00	137,725.00

**AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE
PROVINCIAL LEGISLATURE AND THE COUNCIL ON OVERBERG DISTRICT
MUNICIPALITY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Overberg District Municipality, which comprise the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information set out on pages 9 to 49.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2009 (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Overberg District Municipality as at 30 June 2010 and its financial performance and its cash flows for the year then ended, in accordance with SA Standards of GRAP and in the manner required by the MFMA and DoRA.

Emphasis of matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Going concern

9. As disclosed in note 34 of the financial statements, while the municipality has prepared financial statements on a going concern basis, and although it does not appear that the financial sustainability is under threat, it should be noted that the total liabilities of the municipality exceed the total assets by an amount of R11 900 329 (2009: R729 762).

Additional matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Material inconsistencies in other information included in the annual report

11. At the date of finalising my audit, the annual report has not yet been finalised. I have, therefore, not been able to determine if there are any inconsistencies between the audited information and other information presented in the annual report.

Unaudited supplementary schedules

12. The supplementary information set out on pages 176 to 186 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the MFMA, DoRA, Local Government: Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA), and financial management (internal control).

Predetermined objectives

14. Material findings on the report on predetermined objectives, as set out on pages 69 to 112 of the annual report, are reported below:

Non-compliance with regulatory and reporting requirements

Lack of adoption or implementation of a performance management system

15. The municipality did not yet formally adopt a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players, as required in terms of sections 36, 38 and 41(2) of the MSA, and regulations 7 and 8 of the Municipal Planning and Performance Management Regulations, 2001. The performance management system was still in draft.

Internal auditing of performance measurements

16. The internal auditors of the municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee by the end of the financial year, as required by section 45(a) of the MSA.

Usefulness of reported predetermined objectives

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Consistency:** Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- **Relevance:** Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- **Measurability:** Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?

The following audit finding relates to the above criteria:

Planned and reported performance targets not specific/time bound

17. For the selected objectives, only 50% of the planned and reported targets were:
- specific in clearly identifying the nature and the required level of performance;
 - time bound in specifying the time period or deadline for delivery.

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Validity:** Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?
- **Accuracy:** Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.
- **Completeness:** All actual results and events that should have been recorded have been included in the reported performance information.

The following audit findings relate to the above criteria:

Inadequate content of the Integrated Development Plan (IDP) and presentation of reported information

18. The actual achievements with regard to 67% of all planned indicators and targets specified in the IDP/SDBIP for the year under review, for the selected programmes were not reported in the annual performance report submitted for audit purposes.

Reasons for major variances between planned and actual reported targets were not explained

19. Explanations for major variances between the planned and the actual reported targets for selected indicators were not reported.

Planned and reported indicators not verifiable

20. Comparisons between performance in the current year with targets set for the current and previous financial years are not disclosed in the annual performance report and supported by appropriate corroborating evidence as required by Section 46(1) of the Municipal Systems Act, (Act No. 32 of 2000).
21. Fifty percent of the planned and reported indicators for selected objectives could not be agreed to valid supporting information. It was not possible to adequately validate the processes and systems that produce the indicators.

Compliance with laws and regulations

Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)

Expenditure was incurred otherwise than in accordance with section 15 of the MFMA resulting in unauthorised expenditure

22. Expenditure was not incurred in accordance with the approved budget of the municipality and exceeded the limits of the amounts appropriated for the different votes in the approved budget of the municipality. As disclosed in note 35 to the financial statements, unauthorised expenditure amounting to R5 016 475 was incurred. This mainly relates to overspending on votes.

Expenditure was incurred in contravention of or not in accordance with applicable legislation resulting in irregular expenditure

23. Expenditure was not incurred in accordance with the requirements of the supply chain management policy of the municipality. As disclosed in note 37 to the financial statements, irregular expenditure amounting to R934 989 was incurred. This relates to assets scrapped that were not approved by council at year end.

Approval of annual report

24. The council did not approve its final 2009-10 annual report within two months after the report was tabled on or before 31 March 2010, as required by as required by section 129 of the Municipal Finance Management Act, 2003.

Approval of annual budget

25. The council did not approve its 2010-11 budget on or before 30 June 2010, as required by section 16 of the Municipal Finance Management Act, 2003.

INTERNAL CONTROL

26. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with relevant laws and regulations, but not for the purpose of expressing an opinion on the effectiveness of internal control.
27. The matters reported below are limited to the significant deficiencies regarding the basis for the opinion paragraph, the findings on the report on predetermined objectives and the

findings on compliance with laws and regulations.

Leadership

28. The municipality did not exercise adequate oversight responsibility to ensure compliance with certain aspects of the legislative framework, and as a result its 2009-10 annual report and 2010-11 budget was not approved within the legislated timeframes.

Financial and performance management

29. Findings related to the report on predetermined objectives were not prevented or detected by the municipality's internal control systems. Management has not implemented adequate systems to ensure that there is a clear trail of supporting information for the reported targets achieved in the annual performance report.

Governance

30. Internal audit did not fulfil its responsibilities as set out in legislation and in accordance with its work plan prior to the end of the financial year as it was unable to complete its work on predetermined objectives prior to the completion of the financial year, as required by Section 45(a) of the MSA.

Cape Town

30 November 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE C: REPORT OF THE AUDIT COMMITTEE

OVERBERG DISTRICT MUNICIPALITY: ANNUAL OVERSIGHT REPORT OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1. Audit Committee members

The Audit Committee, was appointed during March 2007 in terms of section 166 of the *Municipal Finance Management Act, 2003* (Act No. 56 of 2003) and consisted of four independent external members, as listed below.

Mr. A Pienaar (Chairperson)

Mr. E B Parry (Vice chairperson)

Mr. H V Liebenberg

Mr. M C Wallace

The three-year term of the Committee members expired on 28 February 2010, but since the appointment of new members could not be finalised in time, the term of the existing members was extended to 31 May 2010.

2. Meetings

The Audit Committee met on the following dates during the year under review:

- 1 September 2009
- 8 December 2009
- 14 January 2010 (Special meeting to consider the Management Report in respect of the Auditor General's report for 2008/2009,
- 26 May 2010.

3. Audit Committee responsibilities

The Audit Committee was fully functional for the year under review and operated in accordance with approved Terms of Reference. The Committee fulfilled its responsibilities as set out in section 166(2) of the MFMA.

The Council of the Overberg District Municipality has, during the year, succeeded in introducing a Performance Management System as required in terms of the *Local Government Systems Act, 2000 (Act no 32 of 2000)* and Chapter 3 of the Regulations published in *Government Gazette* no 22605 dated 24 August 2001. The Audit Committee that was appointed with effect from 1 July 2010 to succeed the existing Committee, will operate in a dual role as Audit Committee as well as Performance Audit Committee.

4. Managerial and political instability

The performance of the Audit Committee was handicapped by managerial and political instability during the second half of the year under review. On 28 January 2010 the official who was acting as Municipal Manager after the termination of the employment of the Municipal Manager, was suspended pending disciplinary action against him. Due to party-political actions, the Council was left without a Speaker with the result that no Council meetings could be convened and no normal business could be conducted by the Council during 2010. This situation led to the decision of the responsible MEC to remove all councilors and to place the Municipality under administration. In the meantime the Chief

Audit Executive, Mr D van den Heever was appointed as Municipal Manager. These actions enabled the Municipality to carry on with its normal functions.

The instability referred to above, affected the Audit Committee in that it was not able to hold an ordinary meeting during the first quarter of 2010 and the Committee was not able to meet with the Executive Mayoral Committee to report on its activities. The appointment of Mr van den Heever as Municipal Manager furthermore left the Municipality's Audit Section severely understaffed.

5. Report of the Auditor General for 2008/2009

The Chairman of the Committee attended a meeting of the Audit Steering Committee before the commencement of the audit as well as a subsequent meeting between officials from the office of the Auditor General and Council representatives on 17 February 2010. The Committee also considered the Auditor General's report and management reports. All outstanding matters were followed up.

6. Reports reviewed by the Audit Committee

The Audit Committee also dealt with the following reports during the period under review:

- Allocation of financial assistance to external organisations;
- Irregular travel claims by a councilor;
- Year-end stocktaking;
- Procurement of office furniture;
- Acquisition and disposal of assets through supply chain management;
- Contract safekeeping;
- Construction of water network for "Die Dam";
- Risk Management;
- Reporting to Treasury;
- Traveling and subsistence claims;
- Financial irregularities at Uitenkraalsmond;
- Service delivery at Malgas;
- Performance information.

7. Thanks

The Audit Committee enjoyed a cordial relationship with the Executive Mayor and other councilors who attended meetings of the Audit Committee as well as the full cooperation of the Internal Audit personnel and other members of the staff.

The support and cooperation of all the members of the Committee are sincerely appreciated.



A Pienaar
Chairman: Audit Committee

7.1 OVERSIGHT REPORT ON ANNUAL REPORT: 2009/2010 FINANCIAL YEAR

PURPOSE

To submit the Oversight Report on the Annual Report of 2009/2010 in terms of Section 129 of the Municipal Finance Management Act, 2003, (MFMA).

BACKGROUND

1. Legal Requirements

1.1 Section 121(1)(2) and (3) of the MFMA determines as follows:

121(1) Every Municipality must for each financial year prepare an annual report. The Council must within nine months after the end of a financial year deal with the annual report of a municipality in accordance with section 129.

(2) The purpose of an annual report is:-

- (a) To provide a record of the activities of the municipality during the financial year to which the report relates;
 - (b) To provide a report on performance against the budget of the municipality for the financial year; and
 - (c) To promote accountability to the local community for the decisions made throughout the year by the municipality.
- (3) The annual report of a municipality must include-
- (a) The annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);
 - (b) The Auditor-General audit report in terms of section 126(3) on those financial statements;
 - (c) The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;
 - (d) The Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act;
 - (e) An assessment by the municipality's Accounting Officer of any arrears on municipal taxes and service charges;
 - (f) An assessment by the municipality's Accounting Officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue from each source and for each vote in the municipality's approved budget for the relevant financial year;

- (g) Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
 - (h) Any explanations that may be necessary to clarify issues in connection with the financial statements;
 - (i) Any information as determined by the municipality;
 - (j) Any recommendation as determined by the municipality; and
 - (k) Any other information as may be prescribed.
2. In terms of section 127(5) of the MFMA, the Accounting Officer must immediately after the annual report is tabled, make public the annual report, invite the local Community to submit representations in connection with the annual report and submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
3. According to section 129(1) of the MFMA, requires the Council to consider the Annual Report of the municipality and to adopt an Oversight Report containing the Council's comments on the Annual Report.

1.2 Submission and tabling of the Annual Report

The Annual Report of the Municipality for the 2009/2010 financial year was tabled in the Council at its meeting held on 8 March 2011 in terms of section 127(2) of the Local Government: Municipal Finance Management Act, 2003.

Council **resolved** of the Council meeting held on 8 March 2011:

UNANIMOUSLY RESOLVED : R/2011

- (1) That cognisance be taken of the comments by Mr I Fourie from the office of the Auditor- General.
- (2) That the Municipal Manager in terms of section 127(5) of the MFMA:
 - (a) Make public the Annual Report for the 2009/2010 financial year;
 - (b) Invite the local community to submit representations in connection with the Annual Report;
 - (c) Submit the Annual Report to the Auditor-General, the Provincial Treasury and the Provincial Department responsible for Local Government; and
 - (d) That Council in terms of section 129(1) of the MFMA determine a date to consider the Annual Report and adopt the oversight report.
 - (e) That the following members are to serve on the Oversight Committee/Annual Report: Cllrs. D Oosthuizen, A Franken, I Stevens and F Khohlakaka and a member of the Audit committee
 - (f) That the Oversight committee appointed by Council proceed with process to assess the report.

2. OVERSIGHT REPORT

2.1 Introduction

The adoption of the Oversight Report is the concluding step in the annual reporting moment of a municipality. The Oversight Report is a requirement in terms of Section 129 of the MFMA, which requires the Council to adopt an Oversight Report, no later than 2 months after the tabling of the annual report. The Oversight Report must include a statement whether the council:

- Has approved the annual report, with or without reservation;
- Has rejected the annual report; or
- Has referred the annual report back for revision of those components that can be revised.

The Oversight Report is a separate product from the Annual Report. The Annual Report is submitted to the Council by the Accounting Officer and the Executive Officer and the Executive Mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving objectives and goals set by the municipality in the relevant financial year. The Oversight Report follows consideration and consultation on the Annual Report and is considered to be a report of the municipal council.

After the tabling of the 2009/010 Annual Report on 8 March 2011, in line with Section 129 (1) of the MFMA, the Overberg District Municipality allowed for two weeks of public comments regarding the 2006/07 Annual Report. The commenting period was between 9 March 2011 until 25 March 2011. Copies of the Annual Report were:

- Circulated to each councillor;
- Distributed to all regional offices of the ODM
- Published on the municipality's website; and
- Advertised in the local newspapers.

The Annual Report was also made available to the following Offices and Committees:

- The office of the Auditor-General;
- The Provincial Department of Local Government and Housing;
- The Provincial Treasury;
- The Audit Committee of the Overberg District Municipality.

2.2 Submission of Annual Report to Committees

The Annual report was submitted to the Oversight Committee:

THE OVERSIGHT COMMITTEE

- (a) Council oversees the performance of the administration through Council and Committee meetings.

- (b) In terms of a Council Resolution, an Oversight Committee was established in terms of Section 79 of the Structures Act, 1998, to review the Annual report of the Council and to prepare an oversight Report on the Annual Report.
- (c) The Oversight Committee non-executive Councilors as nominated by Council and a Chairperson who was chosen from amongst members.
- (d) The members of the Oversight Committee are :

- (i) Cllr D Oosthuizen (Chairperson)
- (ii) Cllr I Stevens
- (iii) Cllr AR Franken
- (iv) Cllr F Khohlakala

THE OVERSIGHT REPORT

- (a) Attached the Oversight Committee Meeting minutes.

2009/2010 ANNUAL REPORT CONSULTATION PROCESS

- (a) Members of the community were advised, through the media and the municipal website, of the availability of the Annual Report and were invited to submit representations on the report.
- (b) The Annual Report was available at all Municipal identified offices. The Annual Report was also submitted to the Auditor General, Provincial Treasury (Western Cape) and the Departement of Local Government and Housing (Western Cape)

RECOMMENDATED BY THE OVERSIGHT COMMITTEE

1. That the Annual report of the Municipality and presentations thereon in terms of section 129(1) of the Local Government Municipal Finance Management Act, 2003, adopts the report after accepting the corrections and amendments as recommended by the Oversight Committee at its meeting held on 15 April 2011.
2. That it should be recorded that copies of the Annual Report must be provided to all libraries and Thusong Centre's in the various towns of the Overberg.

Council resolved of the Council meeting held on 20 April 2011:

UNANIMOUSLY RESOLVED :

1. That the Annual report of the Municipality and presentations thereon in terms of section 129(1) of the Local Government Municipal Finance Management Act, 2003, adopts the report after accepting the corrections and amendments as recommended by the Oversight Committee at its meeting held on 15 April 2011.
2. That it should be recorded that copies of the Annual Report must be provided to all libraries and Thusong Centre's in the various towns of the Overberg

NOTULE VAN DIE OORSIGKOMITEE VERGADERING SOOS GEHOU OP 15 APRIL 2011
OM 10:00 IN DIE RAADSAL

OPENING

Aangesien dit die eerste vergadering van die Oorsigkomitee is word oorgaan tot die verkiesing van 'n Voorsitter.

VERKIESING VAN VOORSITTER

Raadslid A Franken stel voor gesekondeer deur Raadslid I Stevens dat Raadslid D Oosthuizen aangestel word as Voorsitter vir die Oorsigkomitee.

Eenparig besluit : Dat Rdl Oosthuizen as Voorsitter van die Oorsigkomitee aangewys word.

VERWELKOMING

Die Voorsitter, Rdl D Oosthuizen heet almal hartlik welkom by die vergadering.

VERSKONINGS : Geen verskoning is ontvang vir Raadslid F Khohlakala.

TEENWOORDIG

Raadslede : D Oosthuizen (Voorsitter)

I Stevens

A Franken

Amptenary : RF Butler (Wnde Munisipale Bestuurder)

A Thompson (Administratiewe Beampte)

SAKE TER OORWEGING :

1. Vrae oor sekere items in die jaarverslag.

- Kan 'n burgemeester wat op 30 Junie 2010 toe die jaar onder oorsig, nie meer burgemeester was nie, nog die voorwoord lewer? Raadslid M Gillion het op 24 Junie 2010 bedank as raadslid en outonadies ook as burgemeester.

Besluit :

1. Die Komitee stel voor dat die huidige Burgemeester, Rdl E Martinus 'n mening uitspreek oor die Jaarverslag aangesien die voormalige Burgemeester nie die Finansiële state kon nasien, aangesien sy reeds op 24 Junie 2010 bedank het.
2. Dat die huidige Munisipale Bestuurder, mnr RF Butler ook 'n oorsig verslag gee oor die Jaarverslag.

- Deur watter media was die jaarverslag aan die algemene publiek voorgeleë vir kommentaar. Walter datum was dit op die webwerf geplaas. Dit was nie in die

Hermanus, Gansbaai en Hawston biblioteke vir kommentaar aan die publiek voorgelê nie.

BESLUIT :

1. Dat kennis geneem word dat die jaarverslag vir publieke kommentaar gelê het by die verskillende kantore van die ODM.
2. Dat in die toekoms die jaarverslag in die toekoms by alle biblioteke en Thusong Sentrums in die Overberg versprei word.
3. Kennis word geneem dat die Jaarverslag op die webwerf van die ODM geplaas word direk na die vergadering.

- Was daar enige kommentaar van die algemene publiek en of enige raadslede?

BESLUIT:

Kennis word geneem dat die geen kommentaar van die publiek en of enige raadslid ontvang was nie.

- Verduidelik asseblief watter 25 werksgeleenthede was geskep deur middel van die munisipaliteit se ekonomiese ontwikkeling en kapitaal projekte. Sien bladsy 47.

BESLUIT :

Dat kennis geneem word dat die werksgeleenthede geskep is deur die EPW projekte by die Corde.

**DAT DIE VOLGENDE REGSTELLINGS OP DIE JAARVERSLAG
AANGEBRING WORD**

- Bladsy 9. Die burgemeester stel dit dat ODM aan alle wetsvereistes voldoen het. Die stelling is nie korrek nie. Bestudeer net die oudtiverslag . Sien byvoorbeeld Par 14,15, 16, 24 en 25 van die oudtiverslag waarin uitgewys word dat daar nie aan alle wetsvereistes voldoen was nie..
- Bladsy 9 . Derde laaste sin. 2010/2011 moet wees 2009/2010.
- Bladsy 22. Raadslid M Gillion was nie Overstrand raadslid nie, maar wel proporsioneel.
- Bladsy 23. Raadslid F Kothlakala is Overstrand raaslid. Nie proporsioneel.
- Bladsy 24. Raadslid M Gillion het op 24 Junie 2010 bedank en was dus op 30 Junie 2010 nie meer lid van die Burgemeesterskomitee nie.
- Bladsy 27. Distrik koördinasieforum- Raadslid T Beyleveld is nie raadsheer nie, maar net gewone raadslid. Hy het in Maart 2006 vir eerste keer raadslid geword.

- Bladsy 112. In die tabel Operating Results is daar 'n paar foute. Actual revenue 2008/09 moet wees 91905 en nie 91909 nie. Die verskil is ook foutief, moet wees 5137. Operating expenditure actual moet wees 93110 en nie 93114 nie. Die verskil is ook foutief, moet wees 3849. Die woorde "municipality received R89 909 683" is foutief en moet wees R89 909 638. Die woorde "the percentage is well within the national norm of between 35-40%" is foutief. Die persentasie van 56.5% oorskrei die nasionale norm baie vër.
- Bladsy 189. Die oudit verslag het ook 'n fout. In punt 24 op bladsy 5 van die verslag lees " The council did not approved its final 2009-10 annual report within two months after the report was tabled on or before 31 March 2010." Die 2009-10 moet wees 2008-09. Dit was die 2008-09 jaarverslag wat nie binne twee maande deur die raad goedgekeur was nie. Hierdie jaar se jaarverslag 2009-2010 is ook laat en sal seker weer volgende jaar in die ouditeursverslag genoem word.

Kennis word geneem van Rdl I Stevens dat:

1. Dat die Munisipale Bestuurder in sy mening(oorsigverslag) die onstabiliiteit van die Raad moet aanspreek van die eerste kwartaal in 2010.
2. Dat die in LED projekte in volgende jaar meer maksimaal uitgerol word.
3. Dat die DAC en Transport plan nie genoegsame inligting in die huidige jaarverslag het nie, maar dat in die volgende jaarverslag meer duidelik uitgewys word.
4. Dat die Munisipale Bestuurder 'n verslag voorlê oor die ongemagtigde, onreëlmatige of vrugtelose en verkwistende uitgawes aan die Raad.

RECOMMENDATION TO COUNCIL

That the Annual report for the Overberg District Municipality thereon in terms of section 129(1) of the local Government Municipal Finance management Act, 2003 adopts the report after accepting the corrections and additions as recommended by the Oversight Committee.

AFSLUITING

Die voorsitter bedank almal se insette tydens die vergadering.

Die vergadering verdaag om 11:45.

VOORSITTER

DATUM

OVERBERG

DISTRIKS MUNISIPALITEIT
DISTRICT MUNICIPALITY
UMASIPALA WESITHILI



MELD ASB/PLEASE QUOTE

Ons Verw./Our Ref.: 6/1/3/3/4

Navrae/Enquiries: R F Butler

Bylyw/Enl.:

Privaatsak: X22

Private Bag:
BREDASDORP

7280

Tel.: (028) 4251157

Faks/Fax: (028) 4251014

E-mail/E--pos: info@odm.org.za

5 May 2011

Mr Paul Pienaar
Private Bag X9165
Room no 3-30
Whale Street
CAPE TOWN
8000

Sir / Madam

SUBMISSION OF ANNUAL AND OVERSIGHT REPORT FOR THE 2009/2010 FINANCIAL YEAR: OVERBERG DISTRICT MUNICIPALITY

Please find attached the detailed Annual and Oversight Report for the 2009/2010 financial year of the Overberg District Municipality.

The report are submitted in terms of Section 132 of the Municipal Finance Management Act, 2003 (Act no 56 of 2003), as amended. The involved Annual Report has been adopted as per item 7.1 on 20 April 2010, and the Oversight Report has been adopted.

The involved reports have been advertised for public comment in terms of section 21A of the Municipal Systems Act, 2000 (Act of 2000), as amended.

Yours faithfully


R F BUTLER
ACTING MUNICIPAL MANAGER

7.1 OVERSIGHT REPORT ON ANNUAL REPORT: 2009/2010 FINANCIAL YEAR

PURPOSE

To submit the Oversight Report on the Annual Report of 2009/2010 in terms of Section 129 of the Municipal Finance Management Act, 2003, (MFMA).

BACKGROUND

1. Legal Requirements

1.1 Section 121(1)(2) and (3) of the MFMA determines as follows:

121(1) Every Municipality must for each financial year prepare an annual report. The Council must within nine months after the end of a financial year deal with the annual report of a municipality in accordance with section 129.

(2) The purpose of an annual report is:-

- (a) To provide a record of the activities of the municipality during the financial year to which the report relates;
 - (b) To provide a report on performance against the budget of the municipality for the financial year; and
 - (c) To promote accountability to the local community for the decisions made throughout the year by the municipality.
- (3) The annual report of a municipality must include-
- (a) The annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);
 - (b) The Auditor-General audit report in terms of section 126(3) on those financial statements;
 - (c) The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;
 - (d) The Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act;
 - (e) An assessment by the municipality's Accounting Officer of any arrears on municipal taxes and service charges;
 - (f) An assessment by the municipality's Accounting Officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue from each source and for each vote in the municipality's approved budget for the relevant financial year;

- (g) Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
 - (h) Any explanations that may be necessary to clarify issues in connection with the financial statements;
 - (i) Any information as determined by the municipality;
 - (j) Any recommendation as determined by the municipality; and
 - (k) Any other information as may be prescribed.
2. In terms of section 127(5) of the MFMA, the Accounting Officer must immediately after the annual report is tabled, make public the annual report, invite the local Community to submit representations in connection with the annual report and submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
3. According to section 129(1) of the MFMA, requires the Council to consider the Annual Report of the municipality and to adopt an Oversight Report containing the Council's comments on the Annual Report.

1.2 Submission and tabling of the Annual Report

The Annual Report of the Municipality for the 2009/2010 financial year was tabled in the Council at its meeting held on 8 March 2011 in terms of section 127(2) of the Local Government: Municipal Finance Management Act, 2003.

Council **resolved** of the Council meeting held on 8 March 2011:

UNANIMOUSLY RESOLVED : R/2011

- (1) That cognisance be taken of the comments by Mr I Fourie from the office of the Auditor- General.
- (2) That the Municipal Manager in terms of section 127(5) of the MFMA:
 - (a) Make public the Annual Report for the 2009/2010 financial year;
 - (b) Invite the local community to submit representations in connection with the Annual Report;
 - (c) Submit the Annual Report to the Auditor-General, the Provincial Treasury and the Provincial Department responsible for Local Government; and
 - (d) That Council in terms of section 129(1) of the MFMA determine a date to consider the Annual Report and adopt the oversight report.
 - (e) That the following members are to serve on the Oversight Committee/Annual Report; Clifs. D Oosthuizen, A Franken, I Stevens and F Khohlakaka and a member of the Audit committee
 - (f) That the Oversight committee appointed by Council proceed with process to assess the report.

2. OVERSIGHT REPORT

2.1 Introduction

The adoption of the Oversight Report is the concluding step in the annual reporting moment of a municipality. The Oversight Report is a requirement in terms of Section 129 of the MFMA, which requires the Council to adopt an Oversight Report, no later than 2 months after the tabling of the annual report. The Oversight Report must include a statement whether the council:

- Has approved the annual report, with or without reservation;
- Has rejected the annual report; or
- Has referred the annual report back for revision of those components that can be revised.

The Oversight Report is a separate product from the Annual Report. The Annual Report is submitted to the Council by the Accounting Officer and the Executive Officer and the Executive Mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving objectives and goals set by the municipality in the relevant financial year. The Oversight Report follows consideration and consultation on the Annual Report and is considered to be a report of the municipal council.

After the tabling of the 2009/10 Annual Report on 8 March 2011, in line with Section 129 (1) of the MFMA, the Overberg District Municipality allowed for two weeks of public comments regarding the 2006/07 Annual Report. The commenting period was between 9 March 2011 until 25 March 2011. Copies of the Annual Report were:

- Circulated to each councillor;
- Distributed to all regional offices of the ODM
- Published on the municipality's website; and
- Advertised in the local newspapers.

The Annual Report was also made available to the following Offices and Committees:

- The office of the Auditor-General;
- The Provincial Department of Local Government and Housing;
- The Provincial Treasury;
- The Audit Committee of the Overberg District Municipality.

2.2 Submission of Annual Report to Committees

The Annual report was submitted to the Oversight Committee:

THE OVERSIGHT COMMITTEE

- (a) Council oversees the performance of the administration through Council and Committee meetings.

- (b) In terms of a Council Resolution, an Oversight Committee was established in terms of Section 79 of the Structures Act, 1998, to review the Annual report of the Council and to prepare an oversight Report on the Annual Report.
- (c) The Oversight Committee non-executive Councilors as nominated by Council and a Chairperson who was chosen from amongst members.
- (d) The members of the Oversight Committee are :

- (i) Cllr D Oosthuizen (Chairperson)
- (ii) Cllr I Stevens
- (iii) Cllr AR Franken
- (iv) Cllr F Khohlakala

THE OVERSIGHT REPORT

- (a) Attached the Oversight Committee Meeting minutes.

2009/2010 ANNUAL REPORT CONSULTATION PROCESS

- (a) Members of the community were advised, through the media and the municipal website, of the availability of the Annual Report and were invited to submit representations on the report.
- (b) The Annual Report was available at all Municipal identified offices. The Annual Report was also submitted to the Auditor General, Provincial Treasury (Western Cape) and the Departement of Local Government and Housing (Western Cape)

RECOMMENDATED BY THE OVERSIGHT COMMITTEE

1. That the Annual report of the Municipality and presentations thereon in terms of section 129(1) of the Local Government Municipal Finance Management Act, 2003, adopts the report after accepting the corrections and amendments as recommended by the Oversight Committee at its meeting held on 15 April 2011.
2. That it should be recorded that copies of the Annual Report must be provided to all libraries and Thusong Centre's in the various towns of the Overberg.

Council resolved of the Council meeting held on 20 April 2011:

UNANIMOUSLY RESOLVED :

1. That the Annual report of the Municipality and presentations thereon in terms of section 129(1) of the Local Government Municipal Finance Management Act, 2003, adopts the report after accepting the corrections and amendments as recommended by the Oversight Committee at its meeting held on 15 April 2011.
2. That it should be recorded that copies of the Annual Report must be provided to all libraries and Thusong Centre's in the various towns of the Overberg

NOTULE VAN DIE OORSIGKOMITEE VERGADERING SOOS GEHOU OP 15 APRIL 2011
OM 10:00 IN DIE RAADSAL

OPENING

Aangesien dit die eerste vergadering van die Oorsigkomitee is word oorgaan tot die verkiesing van 'n Vooritter.

VERKIESING VAN VOORSITTER

Raadslid A Franken stel voor gesekondeer deur Raadslid I Stevens dat Raadslid D Oosthuizen aangestel word as Vooritter vir die Oorsigkomitee.

Eenparig besluit : Dat Rdl Oosthuizen as Vooritter van die Oorsigkomitee aangewys word.

VERWELKOMING

Die Vooritter, Rdl D Oosthuizen heet almal hartlik welkom by die vergadering.

VERSKONINGS : Geen verskoning is ontvang vir Raadslid F Khohlakala.

TEENWOORDIG

Raadslede : D Oosthuizen (Vooritter)

I Stevens

A Franken

Amptenary : RF Butler (Wnde Munisipale Bestuurder)

A Thompson (Administratiewe Beampte)

SAKE TER OORWEGING :

1. Vrae oor sekere items in die jaarverslag.

- Kan 'n burgemeester wat op 30 Junie 2010 toe die jaar onder oorsig, nie meer burgemeester was nie, nog die voorwoord lewer? Raadslid M Gillon het op 24 Junie 2010 bedank as raadslid en outomaties ook as burgemeester.

Besluit :

1. Die Komitee stel voor dat die huidige Burgemeester, Rdl E Martinus 'n mening uitspreek oor die Jaarverslag aangesien die voormalige Burgemeester nie die Finansiële state kon nasien, aangesien sy reeds op 24 Junie 2010 bedank het.
2. Dat die huidige Munisipale Bestuurder, mnr RF Butler ook 'n oorsig verslag gee oor die Jaarverslag.

- Deur watter media was die jaarverslag aan die algemene publiek voorgetel vir kommentaar. Walter datum was dit op die webwerf geplaas. Dit was nie in die

Hermanus, Gansbaai en Hawston biblioteke vir kommentaar aan die publiek voorgelê nie.

BESLUIT :

1. Dat kennis geneem word dat die jaarverslag vir publieke kommentaar gelê het by die verskillende kantore van die ODM.
2. Dat in die toekoms die jaarverslag in die toekoms by alle biblioteke en Thusong Sentrums in die Overberg versprei word.
3. Kennis word geneem dat die Jaarverslag op die webwerf van die ODM geplaas word direk na die vergadering.

- Was daar enige kommentaar van die algemene publiek en of enige raadslede?

BESLUIT:

Kennis word geneem dat die geen kommentaar van die publiek en of enige raadslid ontvang was nie.

- Verduidelik asseblief watter 25 werksgeleenthede was geskep deur middel van die munisipaliteit se ekonomiese ontwikkeling en kapitaal projekte. Sien bladsy 47.

BESLUIT :

Dat kennis geneem word dat die werksgeleenthede geskep is deur die EPW projekte by die Oorde.

**DAT DIE VOLGENDE REGSTELLINGS OP DIE JAARVERSLAG
AANGEBRING WORD**

- Bladsy 9. Die burgemeester stel dit dat ODM aan alle wetsvereistes voldoen het. Die stelling is nie korrek nie. Bestudeer net die ouditverslag . Sien byvoorbeeld Par 14, 15, 16, 24 en 25 van die ouditverslag waarin uitgewys word dat daar nie aan alle wetsvereistes voldoen was nie..
- Bladsy 9 . Derde laaste sin. 2010/2011 moet wees 2009/2010.
- Bladsy 22. Raadslid M Gillion was nie Overstrand raadslid nie, maar wel proporsioneel.
- Bladsy 23. Raadslid F Kothlakala is Overstrand raaslid. Nie proporsioneel.
- Bladsy 24. Raadslid M Gillion het op 24 Junie 2010 bedank en was dus op 30 Junie 2010 nie meer lid van die Burgemeesterskomitee nie.
- Bladsy 27. Distrik koördinasieforum- Raadslid T Beyleveld is nie raadsheer nie, maar net gewone raadslid. Hy het in Maart 2006 vir eerste keer raadslid geword.

- Bladsy 112. In die tabel Operating Results is daar 'n paar foute. Actual revenue 2008/09 moet wees 91905 en nie 91909 nie. Die verskil is ook foutief, moet wees 5137. Operating expenditure actual moet wees 93110 en nie 93114 nie. Die verskil is ook foutief, moet wees 3849. Die woorde "municipality received R89 909 683" is foutief en moet wees R89 909 638. Die woorde "the percentage is well within the national norm of between 35-40%" is foutief. Die persentasie van 56.5% oorskrei die nasionale norm baie vër.
- Bladsy 189. Die oudit verslag het ook 'n fout. In punt 24 op bladsy 5 van die verslag lees " The council did not approved its final 2009-10 annual report within two months after the report was tabled on or before 31 March 2010." Die 2009-10 moet wees 2008-09. Dit was die 2008-09 jaarverslag wat nie binne twee maande deur die raad goedgekeur was nie. Hierdie jaar se jaarverslag 2009-2010 is ook laat en sal seker weer volgende jaar in die ouditeursverslag genoem word.

Kennis word geneem van RdI I Stevens dat:

1. Dat die Munisipale Bestuurder in sy mening(oorsigverslag) die onstabiliiteit van die Raad moet aanspreek van die eerste kwartaal in 2010.
2. Dat die in LED projekte in volgende jaar meer maksimaal uitgerol word.
3. Dat die DAC en Transport plan nie genoegsame inligting in die huidige jaarverslag het nie, maar dat in die volgende jaarverslag meer duidelik uitgewys word.
4. Dat die Munisipale Bestuurder 'n verslag voorlê oor die ongemagtigde, onreëlmatige of vrugtelose en verkwistende uitgawes aan die Raad.

RECOMMENDATION TO COUNCIL

That the Annual report for the Overberg District Municipality thereon in terms of section 129(1) of the local Government Municipal Finance management Act, 2003 adopts the report after accepting the corrections and additions as recommended by the Oversight Committee.

AFSLUITING

Die voorsitter bedank almal se insette tydens die vergadering.

Die vergadering verdaag om 11:45.

VOORSITTER

DATUM